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Rules and Regulations

Title 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 20—RETENTION PREFERENCE REGULATIONS FOR USE IN REDUCTIONS IN FORCE

PART 22—APPEALS OF PREFERENCE ELIGIBLES UNDER THE VETERANS' PREFERENCE ACT OF 1944

Correction by Agency; Agency Reversal of Certain Adverse Decisions of an Administrative Officer

1. Section 20.10 is added to Part 20 as set out below.

§ 20.10 Correction by agency.

If an employee is restored to his former grade or rate of pay or to an intermediate grade or rate of pay as the result of an agency decision that its action under this part was unjustified or unwarranted, the restoration shall be made retroactively effective to the date of the improper action.

(Secs. 11, 19, 58 Stat. 390, 391, as amended; 5 U.S.C. 860, 868)

2. Section 22.206 is added to Subpart B of Part 22 as set out below.

§ 22.206 Agency reversal of certain adverse decisions of an administrative officer.

If an employee is restored to his former grade or rate of pay or to an intermediate grade or rate of pay as the result of an agency decision that its action under this part was unjustified or unwarranted, the restoration shall be made retroactively effective to the date of the improper action.

(Secs. 11, 19, 58 Stat. 390, 391, as amended; 5 U.S.C. 860, 868)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] MARY V. WENZEL,
Executive Assistant to the Commissioners.

[F.R. Doc. 60-6705; Filed, July 18, 1960; 8:49 a.m.]

Title 7—AGRICULTURE

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders), Department of Agriculture

[Plum Order 22]

PART 936—FRESH BARTLETT PEARS, PLUMS, AND ELBERTA PEACHES GROWN IN CALIFORNIA

Regulation by Size

§ 936.659 Plum Order 22.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 36, as amended (7 CFR Part 936), regulating the handling of fresh Bartlett pears, plums, and Elberta peaches grown in the State of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), and upon the basis of the recommendations of the Plum Commodity Committee, established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of plums of the variety hereinafter set forth, and in the manner herein provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable, unnecessary, and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (5 U.S.C. 1001–1011) in that, as hereinafter set forth, the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective not later than the date hereinafter specified. A reasonable determination as to the supply of, and the demand for, such plums must await the development of the crop thereof, and adequate information thereon was not available to the Plum Commodity Committee until the date hereinafter set forth on which an open meeting was held, after giving due notice thereof, to consider the need for, and the extent of, regulation of shipments of such plums. Interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specificed herein were promptly submitted to the Department after such meeting was held; shipments of the current crop of such plums are expected to begin on or about the effective date hereof; this section should be applicable to all such shipments in order to effectuate the declared policy of the act; the provisions of this section are identical with the aforesaid recommendation of the committee; and information concerning such provisions and effective time has been disseminated among handlers of such plums and compliance with the provisions of this section will not require of handlers any preparation therefor which cannot be completed by the effective time hereof. Such committee meeting was held on July 12, 1960.

(b) *Order.* (1) During the period beginning at 12:01 a.m., P.s.t., July 24, 1960, and ending at 12:01 a.m., P.s.t., November 1, 1960, no shipper shall ship any package or container of Giant plums, unless:

(i) Such plums are of a size that, when packed in a standard basket, they will pack at least a 5 x 5 standard pack and will have a net weight of not less than twenty-seven (27) pounds: *Provided,* That, not to exceed ten (10) percent, by count, of the packages or containers in any lot may fail to meet such net weight requirements; and

(ii) The diameters of the smallest and largest plums in such package or container do not vary more than one-fourth (¼) inch: *Provided,* That, a total of not more than five (5) percent, by count, of the plums in the package or container may fail to meet this requirement.

(2) When used in this section, "standard pack" shall have the same meaning as set forth in the revised United States Standards for Plums and Prunes (Fresh) §§ 51.1520 to 51.1537 of this title); "standard basket" shall mean the standard basket set forth in paragraph 1 of section 828.1 of the Agricultural Code of California; "diameter" shall mean the distance through the widest portion of the cross section of a plum at right angles to a line running from the stem to the blossom end; and, except as otherwise specified, all other terms shall have the same meaning as when used in the amended marketing agreement and order.

(3) Section 936.143 sets forth the requirements with respect to the inspection and certification of shipments of fruit covered by this section. Such section also prescribes the conditions which must be met if any shipment is to be made without prior inspection and certification. Notwithstanding that shipments may be made without inspection and certification, each shipper shall comply with all grade and size regulations applicable to the respective shipment.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: July 14, 1960.

FLOYD F. HEDLUND,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 60-6716; Filed, July 18, 1960; 8:50 a.m.]

[Lemon Reg. 854, Amdt. No. 1]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Limitation of Handling

Findings. 1. Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953), regulating the handling of lemons grown in California and Arizona, effective under the applicable provisions of the Agricul-

tural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.; 68 Stat. 906, 1047), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such lemons as hereinafter provided will tend to effectuate the declared policy of the act.

2. It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this amendment until 30 days after publication hereof in the FEDERAL REGISTER (60 Stat. 237; 5 U.S.C. 1001 et seq.) because the time intervening between the date when information upon which this amendment is based became available and the time when this amendment must become effective in order to effectuate the declared policy of the Agricultural Marketing Agreement Act of 1937, as amended, is insufficient, and this amendment relieves restriction on the handling of lemons grown in California and Arizona.

Order, as amended. The provisions in paragraph (b)(1)(ii) of § 953.961 (Lemon Reg. 854; 25 F.R. 6459) are hereby amended to read as follows:

(ii) District 2: 418,500 cartons.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: July 14, 1960.

FLOYD F. HEDLUND,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 60-6715; Filed, July 18, 1960; 8:50 a.m.]

Chapter XI—Agricultural Conservation Program Service, Department of Agriculture

[ACP—1960—Hawaii, Supp. 5]

PART 1105—AGRICULTURAL CONSERVATION; HAWAII

Subpart—1960

PROGRAM YEAR AND TECHNICAL AID

Pursuant to the authority vested in the Secretary of Agriculture under sections 7–17 of the Soil Conservation and Domestic Allotment Act, as amended, the 1960 Agricultural Conservation Program for Hawaii, approved September 16, 1959 (24 F.R. 7571), as amended October 16, 1959 (24 F.R. 8543), March 22, 1960 (25 F.R. 2515), April 8, 1960 (25 F.R. 3154), and May 9, 1960 (25 F.R. 4237), is further amended as follows:

Paragraph (a) of § 1105.909 is amended by the addition of the following sentence at the end thereof: "The specifications and rates of cost-sharing for practices approved under the 1961 program and transferred to the 1960 program shall be the specifications and rates of cost-sharing for those practices under the 1961 program."

(Sec. 4, 49 Stat. 164, secs. 7–17, 49 Stat. 1148, as amended; 16 U.S.C. 590d, 590g–590q)

Done at Washington, D.C., this 13th day of July 1960.

MARVIN L. MCLAIN,
Acting Secretary.

[F.R. Doc. 60-6694; Filed, July 18, 1960; 8:48 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Agency

[Reg. Docket 326; Amdt. 40-27]

PART 40—SCHEDULED INTERSTATE AIR CARRIER CERTIFICATION AND OPERATION RULES

Installation of Flight Recorders on Turbine-Powered Airplanes

The Federal Aviation Agency published a notice of proposed rule making in the FEDERAL REGISTER (25 F.R. 2734) stating that it had under consideration certain amendments to Parts 40, 41, and 42 of the Civil Air Regulations to require the installation and use of flight recorders on all large (more than 12,500 pounds maximum certificated takeoff weight) turbine-powered airplanes after September 1, 1960. The proposal was circulated to the aviation industry as Draft Release 60–6, dated March 28, 1960, and comments were requested on or before May 3, 1960.

The Air Transport Association, on behalf of the scheduled air carriers, raised specific objections to the proposed effective date of September 1, 1960. The airlines stated that the date prescribed could only be met by removing airplanes from service to complete the required installations. This, they affirmed, would impose unreasonable interruptions of schedules and add undue burdens of additional expense. Further, it was stated that some air carriers may desire to equip their airplanes with a more sophisticated type of recorder capable of recording additional parameters of information which would be of value to their operations and maintenance, as well as for incident and accident investigation purposes. The currently required parameters are time, heading, airspeed, altitude and vertical acceleration.

The FAA recognizes that flight recorders capable of recording additional operations and maintenance parameters would make available information which would be most useful for incident and accident investigation and for accident prevention purposes. Furthermore, it appears that such recorded information would be used by the air carriers in developing more efficient maintenance and operations procedures and in developing new methods of establishing maintenance schedules for engine, accessory, and component overhauls.

Comments received from certain of the manufacturers of flight recorders indicated that the September 1, 1960, date would not provide them with a sufficient period of time to manufacture and deliver equipment ordered for installation on those turbine-powered airplanes now in operation which previously have not been required to be so equipped. In addition, certain manufacturers stated that more recently developed recorders capable of recording additional parameters can be supplied by late 1960, and early 1961, and confirmed that some air carriers had indicated a very definite interest in these newer types of recorders.

After consideration of all the comments received and upon further investigation thereof, the Agency has concluded that a longer period of time should be authorized for compliance with this regulation as it applies to turbine-propeller powered airplanes. Turbojet airplanes, since they are certificated for operation above 25,000 feet, are currently required to be equipped with flight recorders. The FAA recognizes that difficulties may be encountered by the air carriers in accomplishing an orderly procurement and installation program and that a brief period of relief may be granted with respect to turbine-propeller powered airplanes without adversely affecting safety in air carrier operations. Accordingly, a compliance date of November 1, 1960, has been adopted in this final rule. Also, provision has been made in the regulation for the Director, Bureau of Flight Standards, to further extend the November 1, 1960, date for any air carrier who, prior to September 1, 1960, submits to the FAA, in writing, a request for such an extension, together with substantiating data, which shows to the satisfaction of the Director:

1. That the air carrier will be unable to comply with the November 1, 1960, date due to flight recorder procurement or installation problems and;

2. The action the air carrier has undertaken to insure that a progressive installation of the required flight recorder equipment will be completed at the earliest practicable date following November 1, 1960. In no event will the November 1, 1960, date be extended beyond May 1, 1961. This relaxation of the original proposal will provide the air carriers further opportunities to investigate the various types of recorders available and to proceed with the orderly procurement and installation of the required equipment at the earliest practicable time following the effective date of this rule.

It will be noted that neither the November 1, 1960, compliance date nor the provision for extension thereof applies to the large turbojet-powered airplanes or large nonturbine-powered airplanes certificated for operations above 25,000 feet altitude, since they are required by currently effective regulations to be equipped with flight recorders.

Certain air carriers requested that the Fairchild F–27 airplanes be specifically exempted from the requirements of this rule in view of the geographic areas in which they are operated or in consideration of the varied local service or low altitude types of operations in which they are engaged. The FAA, in its notice

of proposed rule making, explained that it was proposing this regulation specifically to encompass all of the newer types of high-speed turbine-powered airplanes, whether certificated to operate above or below 25,000 feet, since they are frequently subjected to similar atmospheric forces. The F–27 is a modern turbine-powered transport type airplane and is capable of operating at high speeds. For these reasons, the Agency is convinced that all large turbine-powered airplanes should be equipped with flight recorders. Accordingly, the rules adopted herein make no exception for the F–27 airplane.

This amendment also clarifies the Agency's intent to require continuous operation of the flight recorder from the instant the aircraft starts its takeoff roll until it has completed its landing roll at an airport. Operation of the recorder is not required during taxi operations to or from the runway.

Interested persons have been afforded an opportunity to participate in the making of this regulation and due consideration has been given to all relevant matter presented.

In consideration of the foregoing, § 40.208 of Part 40 of the Civil Air Regulations (14 CFR Part 40 as amended) is hereby amended as follows to become effective August 18, 1960, except as otherwise specified:

§ 40.208 Flight recorders.

(a) An approved flight recorder which records at least time, altitude, airspeed, vertical acceleration, and heading shall be installed in accordance with the following requirements:

(1) On all airplanes of more than 12,500 pounds maximum certificated takeoff weight which are certificated for operations above 25,000 feet altitude; and

(2) On and after November 1, 1960, on all turbine-powered airplanes of more than 12,500 pounds maximum certificated takeoff weight: *Provided,* That the Director, Bureau of Flight Standards, or his authorized representative, may extend the November 1, 1960, compliance date for any air carrier who, prior to September 1, 1960, submits to the Federal Aviation Agency, in writing, a request for approval for such an extension, together with substantiating data, which shows to the satisfaction of the Director, or his authorized representative:

(i) That the air carrier will be unable to comply with the November 1, 1960, date due to flight recorder procurement or installation problems, and;

(ii) The action the air carrier has undertaken to insure that a progressive installation of the required flight recorder equipment will be completed at the earliest practicable date following November 1, 1960. In no event will the November 1, 1960, compliance date be extended beyond May 1, 1961.

(b) When a flight recorder is installed it shall be operated continuously from the instant the airplane commences the takeoff roll until it has completed the landing roll at an airport.

(c) Recorded information shall be retained by the air carrier for a period of at least 60 days. For a particular flight or series of flights, the information shall be retained for a longer period if requested by an authorized representative of the Administrator or the Civil Aeronautics Board.

(Secs. 303, 313(a), 601, 604, 72 Stat. 747, 752, 775, 776, 49 U.S.C., 1344, 1354, 1421, 1424)

Issued in Washington, D.C., on July 12, 1960.

E. R. QUESADA,
Administrator.

[F.R. Doc. 60–6658; Filed, July 18, 1960; 8:45 a.m.]

[Reg. Docket 326; Amdt. 41–34]

PART 41—CERTIFICATION AND OPERATION RULES FOR SCHEDULED AIR CARRIER OPERATIONS OUTSIDE THE CONTINENTAL LIMITS OF THE UNITED STATES

Installation of Flight Recorders on Turbine-Powered Airplanes

The Federal Aviation Agency published a notice of proposed rule making in the FEDERAL REGISTER (25 F.R. 2734) stating that it had under consideration certain amendments to Parts 40, 41, and 42 of the Civil Air Regulations to require the installation and use of flight recorders on all large (more than 12,500 pounds maximum certificated takeoff weight) turbine-powered airplanes after September 1, 1960. The proposal was circulated to the aviation industry as Draft Release 60–6, dated March 28, 1960, and comments were requested on or before May 3, 1960.

The Air Transport Association, on behalf of the scheduled air carriers, raised specific objections to the proposed effective date of September 1, 1960. The airlines stated that the date prescribed could only be met by removing airplanes from service to complete the required installations. This, they affirmed, would impose unreasonable interruptions of schedules and add undue burdens of additional expense. Further, it was stated that some air carriers may desire to equip their airplanes with a more sophisticated type of recorder capable of recording additional parameters of information which would be of value to their operations and maintenance, as well as for incident and accident investigation purposes. The currently required parameters are time, heading, airspeed, altitude and vertical acceleration.

The FAA recognizes that flight recorders capable of recording additional operations and maintenance parameters would make available information which would be most useful for incident and accident investigation and for accident prevention purposes. Furthermore, it appears that such recorded information would be used by the air carriers in developing more efficient maintenance and operations procedures and in developing new methods of establishing maintenance schedules for engine, accessory, and component overhauls.

Comments received from certain of the manufacturers of flight recorders indicated that the September 1, 1960, date would not provide them with a sufficient period of time to manufacturer and deliver equipment ordered for installation on those turbine-powered airplanes now in operation which previously have not been required to be so equipped. In addition, certain manufacturers stated that more recently developed recorders capable of recording additional parameters can be supplied by late 1960, and early 1961, and confirmed that some air carriers had indicated a very definite interest in these newer types of recorders.

After consideration of all the comments received, and upon further investigation thereof, the Agency has concluded that a longer period of time should be authorized for compliance with this regulation as it applies to turbine-propeller powered airplanes. Turbojet airplanes, since they are certificated for operation above 25,000 feet, are currently required to be equipped with flight recorders. The FAA recognizes that difficulties may be encountered by the air carriers in accomplishing an orderly procurement and installation program and that a brief period of relief may be granted with respect to turbine-propeller powered airplanes without adversely affecting safety in air carrier operations. Accordingly, a compliance date of November 1, 1960, has been adopted in this final rule. Also, provision has been made in the regulation for the Director, Bureau of Flight Standards, to further extend the November 1, 1960, date for any air carrier who, prior to September 1, 1960, submits to the FAA, in writing, a request for such an extension, together with substantiating data, which shows to the satisfaction of the Director:

1. That the air carrier will be unable to comply with the November 1, 1960, date due to flight recorder procurement or installation problems and;

2. The action the air carrier has undertaken to insure that a progressive installation of the required flight recorder equipment will be completed at the earliest practicable date following November 1, 1960. In no event will the November 1, 1960, date be extended beyond May 1, 1961. This relaxation of the original proposal will provide the air carriers further opportunities to investigate the various types of recorders available and to proceed with the orderly procurement and installation of the required equipment at the earliest practicable time following the effective date of this rule.

It will be noted that neither the November 1, 1960, compliance date nor the provision for extension thereof applies to the large turbojet-powered airplanes or large nonturbine-powered airplanes certificated for operations above 25,000 feet altitude, since they are required by currently effective regulations to be equipped with flight recorders.

Certain air carriers requested that the Fairchild F–27 airplane be specifically exempted from the requirements of this rule in view of the geographic areas in which they are operated or in consideration of the varied local service or low altitude types of operations in which they are engaged. The FAA, in its notice of

proposed rule making, explained that it was proposing this regulation specifically to encompass all of the new types of high-speed turbine-powered airplanes, whether certificated to operate above or below 25,000 feet, since they are frequently subjected to similar atmospheric forces. The F–27 is a modern turbine-powered transport type airplane and is capable of operating at high speeds. For these reasons, the Agency is convinced that all large turbine-powered airplanes should be equipped with flight recorders. Accordingly, the rules adopted herein make no exception for the F–27 airplane.

This amendment also clarifies the Agency's intent to require continuous operation of the flight recorder from the instant the aircraft starts its takeoff roll until it has completed its landing roll at an airport. Operation of the recorder is not required during taxi operations to or from the runway.

Interested persons have been afforded an opportunity to participate in the making of this regulation and due consideration has been given to all relevant matter presented.

In consideration of the foregoing, paragraph (t) of § 41.25 of Part 41 of the Civil Air Regulations (14 CFR Part 41, as amended) is hereby deleted and in lieu thereof the following new § 41.25a is added effective August 18, 1960, except as otherwise specified:

§ 41.25a Flight recorders.

(a) An approved flight recorder which records at least time, altitude, airspeed, vertical acceleration, and heading shall be installed in accordance with the following requirements:

(1) On all airplanes of more than 12,500 pounds maximum certificated takeoff weight which are certificated for operations above 25,000 feet altitude; and

(2) On and after November 1, 1960, on all turbine-powered airplanes of more than 12,500 pounds maximum certificated takeoff weight; *Provided,* That, the Director, Bureau of Flight Standards, or his authorized representative, may extend the November 1, 1960, compliance date for any air carrier who prior to September 1, 1960, submits to the Federal Aviation Agency, in writing, a request for approval for such an extension, together with substantiating data, which shows to the satisfaction of the Director or his authorized representative:

(i) That the air carrier will be unable to comply with the November 1, 1960, date due to flight recorder procurement or installation problems; and

(ii) The action the air carrier has undertaken to insure that a progressive installation of the required flight recorder equipment will be completed at the earliest practicable date following November 1, 1960. In no event will the November 1, 1960, compliance date be extended beyond May 1, 1961.

(b) When a flight recorder is installed it shall be operated continuously from the instant the airplane commences the takeoff roll until it has completed the landing roll at an airport.

(c) Recorded information shall be retained by the air carrier for a period of at least 60 days. For a particular flight or series of flights, the information shall be retained for a longer period if requested by an authorized representative of the Administrator or the Civil Aeronautics Board.

(d) In the event of failures of the flight recorder, the airplane may continue flight to the next stop where repairs or replacements can be made.

(Secs. 303, 313(a), 601, 604, 72 Stat. 747, 752, 775, 776, 49 U.S.C., 1344, 1354, 1421, 1424)

Issued in Washington, D.C., on July 12, 1960.

E. R. QUESADA,
Administrator.

[F.R. Doc. 60–6659; Filed, July 18, 1960; 8:45 a.m.]

[Reg. Docket 326; Amdt. 42–29]

PART 42—IRREGULAR AIR CARRIER AND OFF-ROUTE RULES

Installation of Flight Recorders on Turbine-Powered Airplanes

The Federal Aviation Agency published a notice of proposed rule making in the FEDERAL REGISTER (25 F.R. 2734) stating that it had under consideration certain amendments to Parts 40, 41, and 42 of the Civil Air Regulations to require the installation and use of flight recorders on all large (more than 12,500 pounds maximum certificated takeoff weight) turbine-powered airplanes after September 1, 1960. The proposal was circulated to the aviation industry as Draft Release 60–6, dated March 28, 1960, and comments were requested on or before May 3, 1960.

Comments received from certain of the manufacturers of flight recorders indicated that the September 1, 1960, date would not provide them with a sufficient period of time to manufacture and deliver equipment ordered for installation on those turbine-powered airplanes now in operation which previously have not been required to be so equipped. In addition, certain manufacturers stated that more recently developed flight recorders capable of recording additional parameters can be supplied by late 1960, and early 1961, and confirmed that some air carriers had indicated a very definite interest in these newer types of recorders.

The FAA recognized that flight recorders capable of recording additional operations and maintenance parameters would make available information which would be most useful for incident and accident investigations and for accident prevention purposes. Furthermore, it appears that such recorded information would be used by the air carriers in developing more efficient maintenance and operations procedures and in developing new methods of establishing maintenance schedules for engine, accessory, and component overhauls.

After consideration of all the comments received and upon further investigation thereof, FAA concluded that a longer period of time should be authorized for compliance with this regulation as it applies to turbine-propeller powered airplanes, exclusive of the turbojet airplanes which are currently required to be equipped with flight recorders. The FAA recognizes that difficulties may be encountered by the air carriers in accomplishing an orderly procurement and installation program and that a brief period of relief may be granted with respect to turbine-powered airplanes other than the turbo-jets without adversely affecting safety in air carrier operations. Accordingly, a compliance data of November 1, 1960, has been adopted in this final rule. Also, provision has been made in the regulation for the Director, Bureau of Flight Standards, to further extend the November 1, 1960, date for any air carrier who, prior to September 1, 1960, submits to the Federal Aviation Agency, in writing, a request for such an extension, together with substantiating data, which shows to the satisfaction of the Director:

(1) That the air carrier will be unable to comply with the November 1, 1960, date due to flight recorder procurement or installation problems and;

(2) The action the air carrier has undertaken to insure that a progressive installation of the required flight recorder equipment will be completed at the earliest practicable date following November 1, 1960. In no event will the November 1, 1960, date be extended beyond May 1, 1961.

This relaxation of the original proposal will provide the air carriers further opportunities to investigate the various types of recorders available and to proceed with the orderly procurement and installation of the required equipment at the earliest practicable time following the effective date of this rule.

It will be noted that neither the November 1, 1960, compliance date nor the provision for extension thereof applies to the large turbojet airplanes or large nonturbine-powered airplanes certificated for operations above 25,000 feet altitude, since they are required by currently effective regulations to be equipped with flight recorders.

One comment received requested that consideration be given to exempting turbine-powered airplanes under 35,000 pounds maximum certificated takeoff weight from the requirements of this rule. The FAA classifies all airplanes of more than 12,500 pounds maximum certificated takeoff weight as large airplanes. The newer turbine-powered airplanes are capable of operating at high speeds and at high altitudes. The FAA, in its notice of proposed rule making, explained that it was proposing this regulation specifically to encompass all of the newer types of high-speed turbine-powered airplanes, whether certificated to operate above or below 25,000 feet, since they are frequently subjected to similar atmospheric forces. The Agency remains convinced that all large turbine-powered airplanes should be equipped with flight recorders. Accordingly, the rules adopted herein make no exception for any turbine-powered airplane of more than 12,500 pounds maximum certificated takeoff weight.

This amendment also clarifies the FAA's intent to require continuous operation of the flight recorder from the instant the airplane starts its takeoff roll until it has completed its landing

roll at an airport. Operation of the recorder is not required during taxi operations to or from the runway. Interested persons have been afforded an opportunity to participate in the making of this regulation and due consideration has been given to all relevant matter presented.

In consideration of the foregoing, Part 42 of the Civil Air Regulations (14 CFR Part 42) is hereby amended effective August 18, 1960, except as otherwise specified: (1) By deleting paragraph (c) of § 42.22, (2) by redesignating § 42.22a as § 42.22b, and (3) by adding a new § 42.22a to read as follows:

§ 42.22a Flight recorders.

(a) An approved flight recorder which records at least time, altitude, airspeed, vertical acceleration, and heading shall be installed in accordance with the following requirements:

(1) On all airplanes of more than 12,500 pounds maximum certificated takeoff weight which are certificated for operations above 25,000 feet altitude; and

(2) On and after November 1, 1960, on all turbine-powered airplanes of more than 12,500 pounds maximum certificated takeoff weight; *Provided,* That, the Director, Bureau of Flight Standards, or his authorized representative, may extend the November 1, 1960, compliance date for any air carrier who, prior to September 1, 1960, submits to the Federal Aviation Agency in writing a request for approval for such an extension, together with substantiating data, which shows to the satisfaction of the Director or his authorized representative:

(i) That the air carrier will be unable to comply with the November 1, 1960, date due to flight recorder procurement or installation problems, and;

(ii) The action the air carrier has undertaken to insure that a progressive installation of the required flight recorder equipment will be completed at the earliest practicable date following November 1, 1960. In no event will the November 1, 1960, compliance date be extended beyond May 1, 1961.

(b) When a flight recorder is installed it shall be operated continuously from the instant the airplane commences the takeoff roll until it has completed the landing roll at an airport.

(c) Recorded information shall be retained by the air carrier for a period of at least 60 days. For a particular flight or series of flights, the information shall be retained for a longer period if requested by an authorized representative of the Administrator of the Civil Aeronautics Board.

(d) In the event of failures of the flight recorder, the airplane may continue flight to the next stop where repairs or replacements can be made.

Issued in Washington, D.C., on July 12, 1960.

(Secs. 303, 313(a), 601, 604, 72 Stat. 747, 752, 775, 776, 49 U.S.C., 1344, 1354, 1421, 1424)

E. R. QUESADA,
Administrator.

[F.R. Doc. 60-6660; Filed, July 18, 1960; 8:45 a.m.]

Chapter III—Federal Aviation Agency

SUBCHAPTER E—AIR NAVIGATION REGULATIONS

[Airspace Docket No. 59-WA-96]

PART 600—DESIGNATION OF FEDERAL AIRWAYS

Modification; Change of Effective Date

On April 29, 1960, there was published in the FEDERAL REGISTER (25 F.R. 3755) an amendment to § 600.6001 of the regulations of the Administrator. This amendment, to be effective October 20, 1960, modified VOR Federal airway No. 1 between Salisbury, Md., and Coyle, N.J., concurrently with the commissioning of a new VOR near Waterloo, Del.

The commissioning date of the Waterloo VOR has been rescheduled. Therefore, it is necessary to postpone the effective date of the above-mentioned amendment until November 17, 1960.

Since this action does not impose a burden on the public, compliance with the notice, public procedure and effective date requirements of section 4 of the Administrative Procedure Act is unnecessary.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (24 F.R. 4530), effective immediately, Airspace Docket No. 59-WA-96 is hereby modified as follows: "effective 0001 e.s.t. October 20, 1960." is deleted and "effective 0001 e.s.t. November 17, 1960." is substituted therefor.

(Secs. 307(a), 313(a), 72 Stat. 749, 752; 49 U.S.C. 1348, 1354)

Issued in Washington, D.C., on July 12, 1960.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 60-6664; Filed, July 18, 1960; 8:46 a.m.]

[Airspace Docket No. 59-WA-293]

PART 600—DESIGNATION OF FEDERAL AIRWAYS

PART 601—DESIGNATION OF THE CONTINENTAL CONTROL AREA, CONTROL AREAS, CONTROL ZONES, REPORTING POINTS, AND POSITIVE CONTROL ROUTE SEGMENTS

Modification of Federal Airways and Associated Control Areas

On March 5, 1960, a notice of proposed rule making was published in the FEDERAL REGISTER (25 F.R. 1965) stating that the Federal Aviation Agency was considering amendments to §§ 600.6278 and 601.6278 of the regulations of the Administrator which would modify VOR Federal airway No. 278 and its associated control areas by designating a south alternate from Columbus, Miss., to Birmingham, Ala.

As stated in the notice, the Federal Aviation Agency proposed to designate Victor 278 S from the Columbus VOR via the Millport, Ala., Intersection (intersection of the Columbus VOR 082° True and the Tuscaloosa, Ala., VOR 304° True radials), the Tuscaloosa VOR, to the Birmingham VOR.

The Air Transport Association of America objected to the segment of the proposed route between Columbus and Tuscaloosa because of the indirect routing and increased route mileage. In lieu thereof, ATA recommended a direct route from Columbus to Tuscaloosa, thus decreasing the proposed route distance by approximately 5 miles. In conjunction with the above, ATA further recommended Victor 278 S be designated via the intersection of the Birmingham VOR 248° True radial and the direct route radial between Columbus and Tuscaloosa which would decrease the route distance by approximately 10 miles.

From an air traffic management standpoint, it is undesirable to establish a direct route beween Columbus and Tuscaloosa due to conflictions with both penetration and departure routes established for Columbus Air Force Base. The indirect routing of the segment of Victor 278 S between Columbus and Tuscaloosa was designed to avoid this area.

No other adverse comments were received regarding the proposed amendments.

Interested persons have been afforded an opportunity to participate in the making of the rules herein adopted, and due consideration has been given to all relevant matter presented.

The substance of the proposed amendments having been published, therefore, pursuant to the authority delegated to me by the Administrator (24 F.R. 4530) and for the reasons stated in the notice, the following actions are taken:

1. In the text of § 600.6278 (24 F.R. 10525, 9929), "to the Birmingham, Ala., VOR." is deleted and "to the Birmingham, Ala., VORTAC, including a south alternate from the Columbus VOR to the Birmingham VORTAC via the INT of the Columbus VOR 082° True and the Tuscaloosa, Ala., VOR 304° True radials, and the Tuscaloosa VOR." is substituted therefor.

2. In the text of § 601.6278 (24 F.R. 10604, 9929), "All of VOR Federal airway No. 278." is deleted and "All of VOR Federal airway No. 278 including a south alternate, but excluding the airspace between the main airway and its S alternate." is substituted therefor.

These amendments shall become effective 0001 e.s.t. September 22, 1960.

(Secs. 307(a), 313(a), 72 Stat. 749, 752; 49 U.S.C. 1348, 1354)

Issued in Washington, D.C., on July 12, 1960.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 60-6663; Filed, July 18, 1960; 8:46 a.m.]

[Airspace Docket No. 59-WA-188]

PART 601—DESIGNATION OF THE CONTINENTAL CONTROL AREA, CONTROL AREAS, CONTROL ZONES, REPORTING POINTS, AND POSITIVE CONTROL ROUTE SEGMENTS

Modification of Control Area Extension

On December 23, 1959, a notice of proposed rule making was published in the FEDERAL REGISTER (24 F.R. 10458) stating that the Federal Aviation Agency was considering an amendment to § 601.1360 of the regulations of the Administrator which would modify the Abilene, Tex., control area extension.

As stated in the notice, the Abilene control area extension presently includes the airspace within a 35-mile radius of the Abilene VOR including the airspace southwest of Abilene bounded on the northwest by VOR Federal airway No. 66; on the southwest by VOR Federal airway No. 76 north alternate and the San Angelo control area extension; on the south by VOR Federal airway No. 76 and on the east by a line extending through points at latitude 31°59'45" N., longitude 99°42'15" W., and latitude 31°15'45" N., longitude 99°52'00" W.; and including the airspace north of Abilene lying within 5 miles either side of the Abilene VOR 011° True and the Guthrie, Okla., VOR 136° True radials, extending from the Abilene VOR to the Guthrie VOR. The Federal Aviation Agency is extending the control area southeast of Abilene bounded on the north by VOR Federal airway No. 94; on the east by VOR Federal airway No. 163; on the south by Victor 76 north alternate, and the San Angelo control area extension; on the northwest by Victor 66; and that airspace north of Abilene bounded on the southeast by VOR Federal airway No. 77, on the north by VOR Federal airway No. 278 between the Guthrie VOR and the Bridgeport, Tex., VORTAC and VOR Federal airway No. 102, between the Guthrie VOR and the Lubbock, Tex., VORTAC, and on the southwest by VOR Federal airway No. 62. Concurrent with this action, the Brownwood, Tex., control area extension will be revoked as an assignment of airspace since this control area will be encompassed by the modified Abilene control area extension and would be an unnecessary duplication of control area designation. The designation of this additional airspace as control area will provide air traffic control service for radar vectoring of arrival and departure procedures from Dyess AFB, Abilene, Tex., and the Abilene Municipal Airport that are now outside of controlled airspace. Moreover, additional radar departure and arrival routes will be developed north and southeast of Abilene, below the continental control area, when this control area extension is designated.

The Aerospace Industries Association and the Senior Test Pilot of Chance Vought Aircraft, Inc., Dallas, Tex., objected to the control area extension to the southeast of Abilene because it will overlie the same airspace as a portion of an approved flight test area for Chance Vought Aircraft, Inc. Their comments also stated that until facilities were available to properly segregate the various airspace users, promiscuous use and classification of control areas creates additional hazards to airspace users. The Chance Vought Aircraft approved flight test area is an area of approximately 19,150 square nautical miles located roughly in the area just south of Dallas, Tex., bounded on the west by longitude 99°50" W., on the east by longitude 94°45" W., and on the south by latitude 31°15" N. This area was approved by the Administrator, April 12, 1959, for a two-year period for use 7 days a week, 24 hours per day from 3,000 feet to above 50,000 feet. The control area extension in question will overlap approximately 4,225 square nautical miles of the approved flight test area.

Flight test areas are approved by the Administrator in accordance with existing Civil Air Regulations for the purpose of limiting the areas within which aircraft may be tested. The approval of such areas does not constitute an assignment of airspace for that purpose to the exclusion of other air traffic. If the Administrator attempted to avoid approved flight test areas when designating control area extensions and airways, it would be virtually impossible to control the volume of air traffic now flying over the United States. Such a policy would necessitate the severe reduction of areas now utilized for flight tests in order to permit the necessary expansion of the airways/control area structure, which is for all users of the airspace. Test flights must adhere to at least the same rules and weather minimum as all other flights in the same airspace.

The Federal Aviation Agency is of the opinion that the modification to the Abilene control area extensions as proposed is justified by the volume of IFR operations in this area and management of this traffic should not be subordinated to the VFR and flight test activities. Therefore, the Federal Aviation Agency is modifying the Abilene control area as proposed in the Notice.

The Department of the Air Force concurred in the proposal and the Air Transport Association stated they had no objections to the proposal. No other adverse comments were received regarding the proposed amendments.

Interested persons have been afforded an opportunity to participate in the making of the rules herein adopted, and due consideration has been given to all relevant matter presented.

The substance of the proposed amendments having been published, therefore, pursuant to the authority delegated to me by the Administrator (24 F.R. 4530), Part 601 (24 F.R. 10530) and § 601.1360 (24 F.R. 10565) are amended as follows:

§ 601.1104 [Revocation]

1. Section 601.1104 *Control area extension (Brownwood, Tex.)*, is revoked.

2. Section 601.1360 is amended to read:

§ 601.1360 Control area extension (Abilene, Tex.).

Within a 35-mile radius of the Abilene VOR including the airspace SE of Abilene bounded on the N by VOR Federal airway No. 94, on the E by VOR Federal airway No. 163, on the S by VOR Federal airway No. 76-N and the San Angelo, Tex., control area extension (§ 601.1195), and on the NW by VOR Federal airway No. 66; and that airspace N of Abilene bounded on the SE by VOR Federal airway No. 77, on the SW by VOR Federal airway No. 62, and on the N by VOR Federal airway No. 278 between the Guthrie, Tex., VOR and the Bridgeport, Tex., VORTAC and VOR Federal airway No. 102 between the Guthrie, Tex., VOR and the Lubbock, Tex., VORTAC.

This amendment shall become effective 0001 e.s.t. August 25, 1960.

(Secs. 307(a), 313(a), 72 Stat. 749, 752; 49 U.S.C. 1348, 1354)

Issued in Washington, D.C., on July 12, 1960.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 60-6662; Filed, July 18, 1960; 8:46 a.m.]

[Airspace Docket No. 59-WA-345]

PART 602—ESTABLISHMENT OF CODED JET ROUTES AND NAVIGATIONAL AIDS IN THE CONTINENTAL CONTROL AREA

Modification of Coded Jet Route

On January 6, 1960, a notice of proposed rule making was published in the FEDERAL REGISTER (25 F.R. 86) stating that the Federal Aviation Agency was considering an amendment to § 602.582 of the regulations of the Administrator which would modify VOR/VORTAC jet route No. 82 between Albany, N.Y., and Boston, Mass.

As stated in the notice, J-82-V presently extends, in part, from Albany to Boston. The Federal Aviation Agency proposed modifying this segment of J-82-V by realigning it via the intersection of the Albany VORTAC 084°True and the Boston VORTAC 307° True radials. This modification would reduce the overall mileage and flying time on this route segment and would improve navigational guidance by establishing a more suitable navigational change-over point near its midpoint. Moreover, this proposed realignment of J-82-V would improve air traffic management by permitting this route segment's eastern half to coincide with the southern portion of a new VOR/VORTAC jet route No. 97 from Boston to Plattsburg, N.Y., via the Boston VORTAC 307° and the Plattsburg VOR 161°True radials, which was proposed in Airspace Docket No. 59-WA-431 and published as a notice of proposed rule making in the FEDERAL REGISTER (24 F.R. 10986) on December 30, 1959. This alignment of the new J-97-V was proposed so as to avoid the existing Burlington, Vt., Restricted Area/Military Climb Corridor (R-540).

Subsequent to the publication of Airspace Docket No. 59-WA-431 as a notice, information was received from the Department of the Air Force that the Burlington Restricted Area/Military Climb Corridor (R-540) would not be required

by the Air Force after May 30, 1960, and it was revoked in Airspace Docket No. 59–WA–230 (25 F.R. 4377). This action permitted the establishment of the new J–97–V from Boston direct to Plattsburgh, which was accomplished in Airspace Docket No. 59–WA–431 (25 F.R. 5693). Therefore, in order to have the eastern portion of the Albany to Boston segment of J–82–V coincide with the southern portion of the Boston to Plattsburgh segment of J–97–V, the Federal Aviation Agency is redesignating the Albany to Boston segment of J–82–V via the Boston VORTAC 325° True radial instead of its 307° True radial. This action will result in the alignment of J–82–V from Albany to Boston via the intersection of the Albany VORTAC 084° and the Boston VORTAC 325° True radials which, while not as direct as the alignment proposed in the notice, nevertheless, will provide a reduction in the over-all mileage and flying time on the route and will improve air traffic management in the area.

No adverse comments were received regarding the proposed amendment.

Interested persons have been afforded an opportunity to participate in the making of the rule herein adopted, and due consideration has been given to all relevant matter presented.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (24 F.R. 4530) § 602.582 (24 F.R. 2650) is amended to read:

§ 602.582 VOR/VORTAC jet route No. 82 (Chicago, Ill., to Boston, Mass.).

From the Joliet, Ill., VORTAC via the Cleveland, Ohio, VORTAC; Erie, Pa., VORTAC; Albany, N.Y., VORTAC; INT of the Albany VORTAC 084° True and the Boston, Mass., VORTAC 325° True radials; to the Boston VORTAC.

This amendment shall become effective 0001 e.s.t. September 22, 1960.

(Secs. 307(a), 313(a), 72 Stat. 749, 752; 49 U.S.C. 1348, 1354)

Issued in Washington, D.C., on July 12, 1960.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 60-6661; Filed, July 18, 1960; 8:45 a.m.]

Title 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Dockets 7744 c.o. etc.]

PART 13—PROHIBITED TRADE PRACTICES

United Telefilm Records, Inc., et al.

United Telefilm Records, Inc., et al. (D. 7744 c.o.); Commercial Music Company (D. 7795 c.o.); Interstate Supply Company et al. (D. 7799 c.o.); Ric Records, Inc., etc. (D. 7801 c.o.); Astor Records, Inc. (D. 7802 c.o.); Mercury Record Corporation et al. (D. 7846 c.o.); Vee-Jay Records, Inc., et al. (D. 7767 c.o.); Midwest Distributing Company et al. (D. 7794 c.o.); Ace Record Company, Inc., et al. (D. 7808 c.o.); Allstate Record Distributing Co. et al. (D. 7763 c.o.); and Roberts Record Distributing Company, Inc., et al. (D. 7800 c.o.).

Subpart—Bribing customers' employees: § 13.315 *Employees of private concerns.*

(Sec. 6, 38 Stat. 722; 15 U.S.C. 46. Interprets or applies sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45) [Cease and desist orders: United Telefilm Records, Inc., et al., New York, N.Y., Docket 7744, June 9, 1960; Charles Lampe et al., trading as Commercial Music Company, St. Louis, Mo., Docket 7795, June 9, 1960; Interstate Supply Company et al., St. Louis, Mo., Docket 7799, June 9, 1960; Ric Records, Inc., also doing business as Ric Record Co., etc., New Orleans, La., Docket 7801, June 9, 1960; Astor Records, Inc., Pittsburgh, Pa., Docket 7802, June 9, 1960; Mercury Record Corporation (Chicago, Ill.) et al., Docket 7846, June 9, 1960; Vee-Jay Records, Inc., et al., Chicago, Ill., Docket 7767, June 14, 1960; Midwest Distributing Company et al., St. Louis, Mo., Docket 7794, June 14, 1960; Ace Record Company, Inc. (Jackson, Miss.), et al., Docket 7808, June 14, 1960; Allstate Record Distributing Co. et al., Chicago, Ill., Docket 7763, June 16, 1960; and Roberts Record Distributing Company, Inc., et al., St. Louis, Mo., Docket 7800, June 16, 1960]

In the Matters of United Telefilm Records, Inc., a Corporation, and Morton Craft, Individually and as Officer of Said Corporation; Charles Lampe, Edward A. Ochel, and John Pohl, Individually, and as Co-Partners, Trading as Commercial Music Company; Interstate Supply Company, a Corporation, and Dale E. Neiswander, James A. Hertzler, and Clarence W. Mangels, Individually, and as Officers of Said Corporation; Ric Records, Inc., a Corporation, Also Doing Business as Ric Record Co., and Ron Record Co., and Joseph S. Ruffino, Individually, and as Officer of Said Corporation; Astor Records, Inc., a Corporation; Mercury Record Corporation, a Corporation, Mercury Record Distributors, Inc., of Ohio, a Corporation, Mercury Record Sales Corp., a Corporation, and Midwest Mercury Record Distributors, Inc., a Corporation; Vee-Jay Records, Inc., a Corporation, and James Bracken, and Ewart G. Abner, Jr., Individually and as Officers of Said Corporation; Midwest Distributing Company, a Corporation, and Paul Levy, Individually, and as an Officer of Said Corporation; Ace Record Company, Inc., a Corporation, Record Sales, Inc., a Corporation, and John V. Imbragulio, Individually and as an Officer of said Corporations, and Joseph Caronna, Individually, and as an Officer of Record Sales, Inc.; Allstate Record Distributing Co., a Corporation, and Paul J. Glass, and Peggy M. Glass, Individually, and as Officers of Said Corporation; and Roberts Record Distributing Company, Inc., a Corporation, and Robert L. Hausfater, and Sam Rosenblatt, Individually, and as Officers of Said Corporation

These proceedings were heard by hearing examiners on complaints of the Commission charging manufacturers and distributors of phonograph records in various cities with paying concealed "payola" to television and radio disc jockeys as inducement to have their records broadcast.

Accepting consent orders, the hearing examiners made their initial decisions and orders to cease and desist which became in due course the decisions of the Commission.

The orders to cease and desist, combining the respondents in these eleven cases, are as follows:

It is ordered, That respondents United Telefilm Records, Inc., a corporation, and its officers, and Morton Craft, individually, and as an officer of said corporation; Charles Lampe, Edward A. Ockel (erroneously designated in the complaint as Edward A. Ochel) and John Pohl, individually and as co-partners trading as Commercial Music Company, or under any other name; Interstate Supply Company, a corporation, and its officers, and Dale E. Neiswander, James A. Hertzler and Clarence W. Mangels, individually, and as officers of said corporation; Ric Records, Inc., a corporation, also doing business as Ric Record Co. and Ron Record Co., and its officers, and respondent Joseph S. Ruffino, individually and as an officer of said corporation; Astor Records, Inc., a corporation, and its officers; Mercury Record Corporation, a corporation, Mercury Record Distributors Inc. of Ohio, a corporation, Mercury Record Sales Corp., a corporation, and Midwest Mercury Record Distributors, Inc., a corporation, and their officers; Vee-Jay Records, Inc., a corporation, and its officers, and respondents James Bracken and Ewart G. Abner, Jr., individually and as officers of said corporation; Midwest Distributing Company, a corporation, and its officers, and respondent Paul Levy, individually, and as an officer of said corporation; Ace Record Company, Inc., a corporation, and Record Sales, Inc., a corporation, and their officers, and respondents John V. Imbragulio, individually and as an officer of said corporations, and Joseph Caronna, individually, and as an officer of Record Sales, Inc.; Allstate Record Distributing Co., a corporation, and its officers, and Paul J. Glass and Peggy M. Glass, individually, and as officers of said corporation; and Roberts Record Distributing Company, Inc., a corporation, and its officers, and Robert L. Hausfater and Sam Rosenblatt, individually and as officers of said corporation; and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with phonograph records which have been distributed, in commerce, or which are used by radio or television stations in broadcasting programs in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

(1) Giving or offering to give, without requiring public disclosure, any sum of money or other material consideration, to any person, directly or indirectly, to induce that person to select, or participate in the selection of, and the broadcasting of, any such records in which

respondents, or any of them, have a financial interest of any nature.

(2) Giving or offering to give, without requiring public disclosure, any sum of money, or other material consideration, to any person, directly or indirectly, as an inducement to influence any employee of a radio or television broadcasting station, or any other person, in any manner, to select, or participate in the selection of, and the broadcasting of, any such records in which respondents, or any of them, have a financial interest of any nature.

There shall be "public disclosure" within the meaning of this order, by any employee of a radio or television broadcasting station, or any other person, who selects or participates in the selection and broadcasting of a record when he shall disclose, or cause to have disclosed, to the listening public at the time the record is played, that his selection and broadcasting of such record are in consideration for compensation of some nature, directly or indirectly, received by him or his employer.

By "Decision of the Commission", etc., in each case, reports of compliance were required as follows:

It is ordered, That the above-named respondents shall, within sixty (60) days after service upon them of these orders, file with the Commission reports in writing, setting forth in detail the manner and form in which they have complied with the orders to cease and desist.

Issued: June 9, 1960 (Dockets 7744, 7795, 7799, 7801, 7802, 7846); June 16, 1960 (Dockets 7767, 7794, 7808); June 17, 1960 (Dockets 7763, 7800).

By the Commission.

[SEAL] ROBERT M. PARRISH, *Secretary.*

[F.R. Doc. 60-6668; Filed, July 18, 1960; 8:46 a.m.]

Title 32—NATIONAL DEFENSE

Chapter VII—Department of the Air Force

SUBCHAPTER J—AIR FORCE PROCUREMENT INSTRUCTIONS

MISCELLANEOUS AMENDMENTS TO SUBCHAPTER

The following miscellaneous amendments are issued to this subchapter:

PART 1012—LABOR

Subpart A—Basic Labor Policies

1. Section 1012.101–50 is revised to read as follows:

§ 1012.101–50 Actions affecting labor policies.

AF activities will not take any independent action concerning labor matters unless the action is within an established AF policy. Questions regarding AF policies may be referred AMC (MCPM). Deviations from AF policies concerning labor matters will not be made without prior approval of Hq USAF (AFMPP-PR-3).

2. In § 1012.101–51, paragraphs (a) and (b) are revised to read as follows:

§ 1012.101–51 Communications regarding labor matters.

* * * * * *

(a) Commanders of major air commands and separate operating activities in the continental United States are authorized to communicate with local labor organizations and local offices of Federal agencies as required to carry out their responsibilities. Problems may be referred to AMC (MCPM) for assistance.

(b) Commanders of major oversea commands are authorized to take such action on labor matters within their commands consistent with established AF policies. Problems may be referred to Hq USAF (AFMPP-PR-3).

3. Sections 1012.102, 1012.102–3, and 1012.102–4 are revised as follows:

§ 1012.102 Overtime, extra-pay and multi-shift work.

§ 1012.102–3 Procedures.

See § 12.102–3 of this title.

(a) and (b) See § 12.102–3 (a) and (b) of this title.

(c) All fixed price contracts providing for redetermination of price, all fixed-price contracts providing for labor escalation, and all cost-reimbursement type contracts will contain appropriate clause or clauses as specified below to provide that payment of overtime premiums and shift premiums shall be allowed, or considered in pricing, only to the extent approved according to § 12.102–4 of this title.

(1) Contract Clause "A"—To be incorporated in all cost reimbursement type contracts (see § 1003.404 of this chapter) and all fixed-price contracts that provide for price redetermination, including incentive contracts but excluding contracts that provide for redetermination prospectively only.

OVERTIME AND EXTRA-PAY SHIFTS

Except as otherwise provided in this contract and in this clause, Contractor shall not be reimbursed by the Government directly or indirectly for overtime premiums or shift premiums paid in the performance of this contract unless the overtime or extra-pay shifts shall have been approved by the Contracting Officer. Approval is not required for overtime or extra-pay shifts which result in lower over-all cost to the Government nor for work necessary to cope with emergencies such as those resulting from accidents, natural disasters or breakdowns of production equipment or occasional production bottlenecks of a sporadic nature; nor to work performed by indirect labor employees such as those performing duties in connection with administration, protection, transportation, maintenance, standby plant protection, operation of utilities or accounting; nor in the performance of tests, industrial processes, laboratory procedures, loading or unloading of transportation media, and operations in flight or afloat, which are continuous in nature, and cannot reasonably be interrupted or otherwise completed.

(2) Contract Clause "B"—In addition to Clause "A" incorporate the following clause in all contracts for performance of which a specific amount of overtime or extra-pay shifts has been authorized.

APPROVAL OF OVERTIME AND EXTRA-PAY SHIFTS

The Contractor is authorized to perform overtime and/or extra pay shift work to the extent of _____[1] hours in addition to any overtime or extra pay shift work for the purposes set forth in the clause of this contract entitled "Overtime and Extra Pay Shifts" *Provided, however,* That the Contracting Officer may by written notice to the Contractor reduce the amount of such authorized overtime or extra pay shift work on a prospective-only basis. If such action requires a change in the time for performance of the contract or in other contract terms, adjustment of the affected contract terms shall be accomplished in accordance with the procedures set forth in the clause of this contract entitled "Changes."

(d) and (e) See § 12.102–3(d) and (e) of this title.

§ 1012.102–4 Approvals.

(a) See § 12.102–4 of this title.

(b) The Secretary of the Air Force has designated: The Deputy Chief of Staff, Materiel, Hq USAF; the Deputy Chief of Staff, Development, Hq USAF; the Commander, AMC; the Commander, ARDC; the Director, Procurement and Production, Hq AMC; the Director of Procurement, Hq ARDC; the Commander, AMC Ballistic Missiles Center; the Commander, AMC Aeronautical Systems Center; the Commander, AMC Electronics Systems Center; the Commanders of each air materiel area (ConUS) and the Commanders of Dayton and Memphis Air Force Depots to approve overtime premiums and shift premiums at Government expense in procurement contracts under the circumstances set forth in § 12.102–4(a)(1), (2), and (3) of this title. The authority for Hq ARDC, AMC centers, AMAs, and AF depots is limited to contracts for which they have procurement responsibility at the time of approval.

(c) Contractors performing overtime and extra-pay shift work prior to receipt of the approval do so at their own risk since retroactive approval will be considered only for cases of extreme urgency for which retroactive action can be fully justified.

(d) The Director of Procurement, Hq ARDC, commanders AMC centers, commanders (AMA's (ConUS), and the Commanders of Dayton and Memphis Air Force Depots will furnish to AMC (MCPM), information in letter form on a monthly basis (first through last day) as to their overtime and extra-pay shift approvals. No locally designed forms will be established for this report. The

[1] The overtime hours and extra pay shift hours to be inserted in this blank will have the prior approval of the Secretary of the Air Force or his designee (§ 1012.102–4(b)). In the administration of this blanket authorization, the ACO will, in accordance with other APD/AFPRO activities, review from time to time (at least once every 60 days) the criteria under which the overtime and/or extra pay shift hours are being worked to insure that the reasons supporting the original authorization therefor remain valid. If the Contracting Officer finds that the reasons for the original authorization are no longer valid he may, as provided in the clause, reduce the authorized hours on a prospective basis. The ACO does not however, have the authority to increase the number of hours authorized herein.

following information will be furnished for each approval: (1) Contractor, (2) program or item, (3) overtime and extra-pay shift hours requested and approved. Where an approval encompasses both overtime and extra-pay shift hours, they will be reported as separate entries; (4) premium dollars requested and approved. Where an approval encompasses both overtime and extra-pay shift premiums, they will be reported as separate entries; (5) period of overtime or extra-pay shift performance; (6) date of the approval; and (7) appropriate comment indicating specific reasons for the action. This information will be submitted in sufficient time to permit receipt at AMC (MCPM) on or before the 25th day of the month following the month covered by the report. RCS: AF–N25 is assigned to this report. Negative reports are required.

(e) The Secretary of the Air Force has exempted the following programs from the overtime restrictions set forth in § 12.102 of this title and these are hereby exempted from the restrictions set forth in this subchapter. The AMC Ballistic Missile Center will issue instructions on IRBM, ICBM, and 117L, if required.

(1) Intermediate Range Ballistic Missiles Program (Thor).

(2) Inter-Continental Ballistic Missiles Program (Titan, Atlas, Minuteman).

(3) Performance of service by contractor personnel on site in connection with Operation Hartack.

(4) Project 117L.

(5) Other high priority programs as determined by the Secretary.

§§ 1012.102–5, 1012.102–51 [Deletion]

4. Sections 1012.102–5 and 1012.102–51 are deleted.

§ 1012.103–50 [Amendment]

5. In § 1012.103–50 the opening paragraph is now paragraph (a) *General.* Former paragraph (a) is redesignated paragraph (b) *Administration.* This section is otherwise unchanged.

Subpart D—Labor Standards in Construction Contracts

1. Sections 1012.404, 1012.404–6, and 1012.404–7 are revised to read as follows:

§ 1012.404 Administration and enforcement.

An agreement has been reached between the Department of Air Force and Department of Labor placing into effect the decentralized Labor Law enforcement on AF contracts. The detailed procedures are contained in §§ 1012.404–7 to 1012.404–10. For the purpose of brevity and ready identification in these instructions, the AF liaison officer will be referred to as AFLO and the Department of Labor Regional Attorney as RADL. See § 1012.404–51 for locations and areas of jurisdiction.

§ 1012.404–6 Payrolls and statements.

See § 12.404–6 of this title.

§ 1012.404–7 Investigations.

The contracting officer administering the contract is responsible for accomplishment of the investigations set forth below. For contracts being administered by AMC contracting officers, the routine checks, paragraph (a) of this section, will be accomplished by the contracting officer or his representative. For contracts being administered by the base procurement contracting officers, the routine checks and field checks, paragraphs (a) and (b) of this section, will be accomplished by the contracting officer or his representative.

(a) *Routine checking for compliance.* Routine checks for compliance with the labor standards provisions set forth in this part will be made, particularly as to: (1) Whether practice with respect to additional classifications and rates conforms to § 1012.404–3, (2) whether apprenticeship registration certificates are retained for each employee who is classified as an apprentice, and (3) whether required payrolls and statements are received from all subcontractors on all tiers as well as from all prime contractors. Routine checking for compliance requires examination of payroll records. Payrolls will be initialed and dated by the person making the check to indicate compliance with the labor laws. Routine checks would also ascertain whether or not:

(i) Required payrolls and statements have been filed.

(ii) Hourly wage rates shown on the payrolls are not less than the minimum wage rates prescribed in the contract.

(iii) Any time worked in excess of 8 hours in any one day is being paid for at the rate of one and one-half times the hourly rate.

(iv) All classifications listed on the payrolls conform to the classifications listed in the wage determination, or to additional classifications authorized by the contracting officer. If the payrolls show a disproportionate number of laborers or apprentices employed in relation to journeymen, a specific check will be made at the site of the work to determine that such classifications are not being used to perform journeymen's work. A proportionate number of laborers or apprentices will be determined by the prevailing practice in the area. In the case of apprentices, the ratio is specified in the Apprenticeship Agreement which is registered with the State Apprenticeship Council; or if no such council exists, with the Bureau of Apprenticeship, U.S. Department of Labor. The work to be performed by journeymen will also be governed by general practice in the area. It may be advisable in some cases to consult with employers, employer organizations, unions, State or Federal apprentice officers, and others in the area for helpful information as to the permissible ratios and work classifications.

(v) Records contain a certificate of registration, or a certificate from the contractor, showing that the apprentices listed on the payrolls are registered in an approved apprenticeship program, and that the number of persons employed in the classification of apprentice does not exceed the ratio approved for the program.

(vi) The work being performed is being accomplished by properly classified workers.

(vii) If irregularities or violations are indicated, a field check as discussed in paragraph (b) of this section, is necessary and should be made.

(b) *Field checking.* Field checks are conducted at the site(s) of the work. AFPI Form 7, "Labor Law Compliance Check Sheet, Air Force Construction Contract" (see § 1016.451–3 of this chapter) will be used in accomplishing field checks. The first field check should be conducted within 14 days after work begins. The frequency of subsequent field checks should be determined by the degree of contractor and subcontractors compliance which is anticipated on the basis of the first field check and the preconstruction conference or in the light of experience with the contractors or subcontractors. Field checks on AMC facility contracts will be made by the appropriate industrial manpower office. AMC contracting officers will furnish to the appropriate industrial manpower office lists of all construction prime contractors and subcontractors on facility contracts subject to the labor standards provisions of this subpart, indicating name, address, amount of prime contract and subcontracts, nature of work involved, and estimated length of the contract. Lists will be kept current, particularly as to construction subcontracts. The industrial manpower office representative will make a written report to the AMC ACO 15 days after completion of the field check, unless special investigation is required. Field checks on base procurement construction contracts will be made by the base contracting officer or his duly authorized representative. The base contracting officer administering the contract will include the completed AFPI Form 7 in the contract file, unless special investigation is required. If violations are discovered a special investigation, as discussed in paragraph (c) of this section, is necessary and will be conducted

(c) *Special investigations.* Special investigations of suspended criminal or other violations of applicable labor laws must be full scale investigations to determine all pertinent facts, not merely inquiries as to the truth of allegations.

(1) Special investigations will be made when the contracting officer learns of a possible violation of labor laws. Such knowledge may be in the form of complaints, violations disclosed by routine or field checks, paragraphs (a) and (b) of this section, reports of violations referred by the AFLO or higher headquarters, or any other interested source providing sufficient information to indicate need for investigation.

(2) Special investigations at AMC installations, and reports of same in writing, will be made by the appropriate industrial manpower office involved upon request of ACO's, Hq USAF, or other appropriate sources, or if special investigation is required under § 1012.404–7(a)(7). Hq USAF will forward such requests for investigation to the AFLO through Hq AMC (MCPP). The AFLO will forward the requests to the appropriate contracting officer or, in the case of AMC contracts, to the appropriate industrial manpower office. Special investigations at all major commands in the United States, except AMC installations, will be

made by a disinterested person designated by the base commander. If routine or field checks, complaints of violations, or the existence of actual or incipient work stoppages indicates that assistance is needed, a request for assistance may be sent to the nearest industrial manpower office having geographic jurisdiction.

(3) Special investigations will be conducted according to procedures prescribed below; however, such procedures are only to be considered as minimum requirements as there can be no substitute for good judgment on the part of the field investigator. The investigations must be sufficiently thorough that the established facts accurately support the determinations and conclusions.

(4) Reports of investigation will be made according to the requirements of § 1012.404–8. Direct communication between the AFLO and Hq USAF (AFMPP–PR) on matters of labor law enforcement in AF contracts is authorized. Additional guide lines and requirements are discussed in §§ 1012.404–9 and 1012.404–10.

(d) *Conduct of investigation.* (1) Preliminary steps: To the extent that information is available within the Air Force, the investigator should gather as much of the information indicated in subparagraphs (3) to (7) of this paragraph as practicable prior to the initial employer interview.

(2) Initial employer interview or conference: (i) Credentials: Upon arriving at the project site, the investigator should present his credentials to the contractors, subcontractors, or their representatives. (Credentials should also be presented to employees when being interviewed.) Initial conference should be held with the prime contractor or his representative, additional conferences will be held with subcontractors, as necessary.

(ii) The contracting officer will insure that the prime contractor and the subcontractor allegedly in violation are informed that the investigator is a representative of the Air Force authorized to inspect the employment records of the contractor and interview employees on the job pursuant to the Payroll Records and Payroll clause (see § 12.403–1(4)). The investigator will:

(*a*) Inform the employer that the purpose of his visit is to investigate compliance with the pertinent labor statutes and regulations; describe the allegations of noncompliance which gave rise to the investigation; and outline in general terms the scope of the investigation, including examination of pertinent records, employee interview, and physical inspection of the project.

(*b*) Obtain the exact legal name of the corporation or firm and any trade names, the full address, full names of owners and addresses of subcontractors, and such similar information as may be necessary to the investigation.

(3) Examination of the payrolls: (i) An examination of the contractor's and subcontractor's payrolls should be made for accuracy, completeness, and true representation of the facts. The examination should cover the current or most recent payrolls as well as those for selected periods which reflect the practice of the contractor or subcontractor during the life of the contract.

(ii) Check for completeness and accuracy of payrolls as to names, addresses, job classifications, hourly wage rates, daily and weekly hours worked during the payroll period, gross weekly wages earned, deductions made from wages, and net weekly wages paid.

(iii) Check the wage rates shown in the payroll against the applicable wage determination.

(iv) Check the number of employees in each job classification to determine whether there is a disproportionate employment of laborers, helpers, or apprentices. By the way of illustration, existence of any of the following circumstances may indicate a disproportionate employment, depending upon the status and type of project.

(*a*) Several laborers and only one journeyman electrician on a payroll submitted by an electrical subcontractor would normally indicate that laborers are performing electrical work.

(*b*) A greater number of helpers or apprentices than mechanics may indicate that the ratio of apprentices to mechanics is being disregarded, apprentices or helpers are performing the work of mechanics, and all of the apprentices are not properly registered in an approved program or the contractor or subcontractor is not conforming to approved apprenticeship standards.

(v) Progress reports: If a progress report has been received, it should be carefully checked for information as to the kind of work performed during a certain period, which may be compared with the classification listed on the payrolls for corresponding periods. Thus, for example, if sheetmetal work was done during a particular month and the payroll for that month fails to show any sheetmetal workers, the contractor may be in violation of the labor standards provisions.

(vi) Eight-hour laws: If the Eight-Hour Laws are applicable and the daily hours worked by an employee exceeded 8, determine whether time and a half the employee's basic rate was paid him for such excess hours.

(4) Examination of basic time and work records: (i) A sufficient number of checks of the basic time cards, foreman's work records, time books, sheets, or other work or personnel records of a representative number of employees on each classification should be made against the payroll record to disclose any possible discrepancies, or to give reasonable assurance that none exist. Pertinent excerpts, or copies of such records should be included in the case file.

(ii) The records of particular employees should be included in the check whenever there appears to be any doubt or question with respect to such employees.

(5) Check on conformity with apprenticeship requirements: (i) Apprentices may not be employed on the project unless they are registered under a bona fide apprenticeship program registered with a State Apprenticeship Council which is recognized by the Federal Committee on Apprenticeship, U.S. Department of Labor, or if no such recognized Council exists in a State, under a program registered with the Bureau of Apprenticeship, U.S. Department of Labor.

(ii) If it is found that so-called "apprentices" are being employed who are not registered under a bona fide program, ascertain their correct names, addresses, type of work each is performing, their classification, age, and rates of pay each is receiving. Also, it may be advisable in some cases to consult with employer or employee organizations, State or Federal apprenticeship offices, and others in the area for helpful information as to wage rates and the permissible ratio of journeymen to apprentices, etc. Permissible ratios of apprentices to mechanics may be found in the set of standards contained in the program to which the contractor has subscribed.

(iii) In the case of employment of apprentices in excess of the approved ratio, or erroneous classification of mechanics as apprentices, the investigator should ascertain from interviews and available data all pertinent information such as work experience in the trade or related trades, age, type of work performed, rate of pay each is receiving, supervision received, and any previous classifications of such employees as apprentices.

(6) Classifications not listed in the wage determination: Determine whether the contractor has been employing any laborers or mechanics whose classification is not listed in the wage determination. If so, describe the work they are performing, the tools used, and report the wage rates they are being paid and whether or not, as the case may be, they have been reclassified or a request made for a supplemental determination according to § 12.404–3 of this title and § 1012.404–3 of this chapter. The investigator should make recommendations as to proper classification.

(7) Transcribing payrolls: Transcriptions should be made of payroll information for those employees selected for interview, thus enabling the investigator to clarify questionable matters and permit the investigator to discuss the situation, with respect to each employee, in a logical and factual manner.

(8) Employee interviews: (i) Objectives of employee interviews: Employee interviews should be sufficient in number to establish the degree of adequacy and accuracy of the records and the nature and extent of any violations, and should be representative of all classifications of employees on the project. The investigator should prepare for the interview in such a manner that the pertinent facts will be elicited clearly and accurately. Transcripts of records of employees selected for interview should be coordinated with the employees, so as to enable each employee to discuss the situation more adequately and to enable the investigator to tie up the interview with the transcripts and clarify matters about which there may be doubt or question. Each employee to be interviewed should be informed that he is not required to make a statement, that it is voluntary, that the information, if given, is confidential, and that his identity will not be

disclosed to the employer without the employee's written permission.

(ii) Place of interview: Employees currently employed may be interviewed during working hours on the job, according to § 12.403–1(4)(a) of this title, if such an interview can be conducted properly and privately. In some cases it may be preferable to conduct the interview elsewhere, such as the employer's home, at the investigator's office, or other suitable place.

(iii) Mail interviews: Employees formerly employed on the job may be interviewed at their home, at the investigator's office, or by mail. Ordinarily, an interview should be made by mail only if a personal interview is impracticable. Mail interviews may also be used for employees not on duty at the time of the investigation, but the use of the mail interview should be kept to a minimum.

(iv) Privacy of interviews: Employees should not be interviewed in the presence of the employer, another employee, or any other person, unless the employee requests the presence of another person. In the latter event, questions and answers thereto, may be influenced and it may be necessary to re-interview the employee at his home or at some other place away from the site of work so that additional information may be obtained.

(v) Interview time: If the interview is conducted on the job site, it should be arranged to cause the least inconvenience to the employer and employee. If conducted elsewhere, effort should be made to make it at the convenience of the employee and it will be held outside the employee's working hours.

(vi) Oral interview statements: An employee interview need not be recorded in a signed statement if it serves merely to confirm what the records reveal, or if the employee is unwilling to reduce his statement to writing. A record of such oral interviews should be made, however, for the case file, showing date, name, classification, and digest of the employee's remarks.

(vii) Signed interview statements: A signed employee statement should not be recorded on the same sheet of paper as another signed employee statement. The principal situations which require the preparation of a signed statement arise when the interview:

(*a*) Involves information as to hours, wages, classification, or other essential facts which are in question or missing from the records.

(*b*) Bears on the question of falsification of records or other criteria of willfulness.

(*c*) Indicates that the employee was intimidated or forced to "kick back" any part of his compensation.

(*d*) Yields factual evidence pertinent to any actual or possible controversy with the employer as to whether a particular violation has occurred.

(viii) Preparation of interview statements; general principles: When a written statement is taken, it should be recorded as stated by the employee as nearly as possible in his own language, should be read by him, and should contain a statement that it has been read and that it is correct. The investigator may restate or summarize the employee's remarks, but when he does so the statement should indicate this fact. The statement should be signed by the employee and the signature, except in mail interviews, should be witnessed by the investigator. When the statement is not signed, the investigator should give, either in the statement or in his report, the employee's reason for not signing. Any changes in a signed employee statement should be initialed by the employee. Each interview statement should contain identifying information as follows:

(*a*) Place and date of interview, and that statements made by employee are voluntary.

(*b*) Name of employer (firm).

(*c*) Name and permanent address of employee being interviewed.

(*d*) Employment status (whether present or former employee).

(*e*) If an apprentice, the age, date of birth, and information concerning his status.

(*f*) Job classification and exact work performed, place and where performed, period of employment, hour for starting and stopping work, daily and weekly hours worked, rate of pay, wages received, manner in which time and work are recorded.

The interview should cover all the allegations of violations with respect to which the employees could be expected to be in a position to furnish information. The employee should be questioned as to whether he has ever been intimidated, threatened with dismissal, or forced to give up any part of his compensation by either his employer or any other group or agency. The interview should also cover any other details necessary to indicate accuracy of the employer's records, statements, or certifications to determine whether there has been compliance.

(ix) Employee interviews where records are inadequate or inaccurate: When records are inadequate or inaccurate, the employee interviews should contain as much information as possible regarding the inadequacies or inaccuracies and hours of work. The workday, workweek, and the periods covered by the active and less active periods should be established in order that a formula or pattern can be formulated for the computation of any back wages that may be due. Holiday weeks, if any, should be identified.

(x) Complainant interviews: All complaint investigations must include, except under extraordinary circumstances, an interview with the complainant. When the complaint was made in person, the complaint itself may constitute an interview and further interview or notice by letter may be postponed until the complainant can be informed that the investigation has been made and of the results insofar as the complainant is concerned. When a complainant interview is impracticable or impossible, the omission of the interview should be justified in the report of the investigation.

(9) Disclosure of information to employees: During an investigation, the investigator may receive oral inquiries from employees as to the provisions of pertinent statutes, compliance with those provisions by the employer, and whether the employees may expect to receive back wages as a result of the investigation. An inquiring employee has a right to be informed of the provisions of such statutes and of his rights. He should, however, be given no information by the investigator which was obtained from an examination of the employer's records, except that the investigator may check with the employee on transcripts from the employer's records of pertinent matters. Under no circumstances may the employee be given, or allowed to make, copies of data obtained from the employer's records. The investigator will not give his opinion as to whether any back wages are due an employee because of the violations by the employer, but he may instruct the employee as to how his wages or overtime pay, if applicable, should be computed. The investigator may advise inquirers that his sole function as an investigator is to ascertain and to report all of the facts concerning the employer's compliance with the provisions of the statutes, that the investigation is not completed until Hq USAF has received an acted upon the facts.

(10) Computations: When violations are disclosed computations of all back wages due will be made by the investigator. Also representative transcriptions of payrolls, time sheets or other records should be made in sufficient number and detail to support the findings and computations against possible dispute by the contractor. If there are indications that legal proceedings may be instituted, additional transcripts may be necessary, for example, to support and help prove that the certified payrolls have been falsified by the contractor. In such cases the transcriptions should be exact copies. Whenever possible they should be prepared on the forms used by the employer and will be free of notes, comments, or other extraneous matter. Comments or explanations will be placed on separate memorandums or in the narrative report.

(i) Salaried employees and employees paid on a "piece" or "incentive" rate present situations different from the normal hourly paid employee. Frequently, no accurate records of hours worked are maintained for these employees. It therefore becomes necessary to determine the actual hours worked by such employees, or reconstruct them based on reasonable evidence. Once the actual hours worked are determined for each work week, the actual wage rate is determined as follows:

(*a*) Salaried employees: Divide the regular weekly salary by total actual hours worked in each work week. The result will be the actual wage rate for this week. Any variation in hours worked and salary paid, week by week, will naturally cause a variation in actual wage rate.

(*b*) "Piece" or "Incentive" rate employees: Divide total piece rate earnings by total hours actually worked on piece rate in each week. The result will be the actual wage rate for such piece rate work in each week. Variations in hours and earnings will cause variations in actual wage rate.

(ii) Situations will arise where records of hours or actual earnings of various employees are not accurately shown (this would include hourly paid employees as well as salaried and piece rate employees). Similar actions (as discussed under salaried and piece rate employees) would be necessary to determine the actual wage rate of employees so concerned; i.e., actual regular earnings divided by actual hours worked, to determine actual wage rate. Regular earnings are those earnings excluding any overtime premium such as the one-half time premium payment required by the Eight-Hour Laws.

(11) Concluding employer interview or conference: When the investigator has completed the investigation and obtained all the facts necessary to determine the extent of the employer's compliance or noncompliance, he will confer with the prime contractor as follows:

(i) Inform him generally of the investigative findings, and indicate that these findings are based solely on the facts and information disclosed by the investigation.

(ii) Summarize the investigation to date, including all pertinent facts, and an indication of what the investigative findings and recommendations would be at this point.

(iii) Reinform him of the contractual requirements regarding labor laws and the manner in which compliance with these requirements can be attained.

(12) Investigating officer report of investigation: After completing all aspects of the investigation, the case file, in quintuplicate, containing documents, employee statements, computations, and other material will be referred to the contracting officer administering the contract with an appropriate written report in narrative style covering the following details:

(i) Contract number, brief description of the work, name and address of the contractor and subcontractors involved, and identifying data from the applicable wage determination.

(ii) Initial conference: Report the date of conference, including names and titles of those present and a summary of the conference details.

(iii) Violations: Summarize the major details of the violations, total restitution involved, and causative factors pertinent to each major class or type of violation.

(iv) Final conference: Report the date of conference, including names and titles of those present and a summary of the conference details. Any admissions by the employers as to violations or explanations therefor should be carefully reported. Be specific as to instructions provided the employers for their future compliance.

(v) Findings and recommendations: Discuss elements of willfulness (if any), names of persons involved in willful acts and details leading to such conclusion. Make recommendations as to disposition or further handling of the case. When appropriate, the report will include recommendations as to the assessment or nonassessment of penalties (see § 1012.404–9(e)) whether or not the contractor should be placed on the List of Debarred, Ineligible and Suspended Bidders (see Subpart F, Part 1001 of this chapter), and whether the file should be referred for consideration of possible criminal prosecution. The recommendations will be supported by full information in the file, appropriately referenced.

2. Sections 1012.404–9 and 1012.404–10 are deleted and the following substituted therefor:

§ 1012.404–9 Suspensions and deductions of contract payments.

(a) Regarding any alleged failure or refusal to pay wages due workers under the labor standards provisions of this subpart, the contracting officer will inform the prime contractor of such allegation and, upon mutual agreement that the allegations are correct, request that the contractor provide for restitution according to § 1012.404–10. If restitution is not made, and violation of the Davis-Bacon Act is alleged, action will be taken to withhold sufficient money to cover the alleged unpaid wages. If the violation involves a subcontractor, he should, if possible, be included in conferences with the prime contractor regarding particular violations in which he is involved.

(b) If it is finally determined that restitution is due any worker because of violation of the Davis-Bacon Act and the contractor refuses to make restitution or is unable to locate any of the workers involved, the withheld funds will be transmitted to the General Accounting Office. Notice should be given to any workers whose address is known to file claim with the General Accounting Office. Employee applications for payment may be forwarded with the forms required by § 12.404–9 of this title; such applications should include the employee's name, address, and classification, the name of the employer, and a statement identifying the contract involved. Withholding must be accomplished even though an employee cannot be located to complete restitution. Where underpayments have been determined under the Eight Hour Laws, the pertinent contract clause provides for withholding of such amounts. However, unlike the Davis-Bacon Act, the Eight Hour Laws do not provide for payment of such sums by the United States Government.

(c) Regarding alleged violations involving liability for penalties under the Eight-Hour Laws, the contracting officer should withhold from payments due to the contractor a sum sufficient to cover the estimated penalties possibly due the United States. Such an amount should continue to be withheld until action as set forth in paragraph (d) of this section is taken, or the contractor voluntarily pays the full amount of the penalties allegedly due, or the contracting officer is informed through channels that the Department of Labor has concurred in the nonassessment of penalties.

(d) When investigation discloses that penalties are due the United States, the contracting officer will forward to the disbursing officer who normally makes disbursement to the contractor, a voucher indicating the amount due the contractor, the amount to be paid to the United States as penalties, and sufficient information to explain the withholding. The voucher should be separate from that used to withhold any restitution that may be due the contractor's employees. The contracting officer should retain complete information concerning the penalties, including justification therefor and method of calculation, to be furnished the disbursing officer, if requested.

(e) In appropriate cases where an employer acting in good faith has inadvertently failed to pay the daily overtime compensation required by the Eight-Hour Laws and subsequently makes delayed payment of the extra amount due his employees, a recommendation for nonassessment of penalties may be made, on the basis of the restitution constituting delayed compliance. In this connection, if any employees due daily overtime restitution cannot be located for direct payment by the contractor, the contracting officer may transmit to the General Accounting Office these moneys together with a statement of contractor acquiescence to the payment for deposit and proper disbursement to the unlocated workers as described under § 1012.404–10(c). Recommendations, together with the report of investigation (§ 1012.404–8(a)(2)) will be sent to the AFLO for further processing. Factual justification for the recommendations will be included.

(f) If the contractor does not make voluntary restitution or if any of the underpaid employees cannot be located, the funds withheld for payments due employees under the Davis-Bacon Act will be transferred to the General Accounting Office, Washington 25, D.C., on Standard Form 1093, "Schedule of Withholdings under the Davis-Bacon Act." If the Standard Form 1093 is transmitted to the GAO on a case in which a labor standards investigative report is forwarded to the AFLO, a note will be included on the Standard Form 1093 stating, "Investigative Report is being forwarded to the Department of Labor pursuant to 29 CFR Subchapter A, Part 5." In those cases not requiring report to AFLO, a notation will be made on the back of the Standard Form 1093 indicating the number of employees underpaid by the contractor, the number of employees paid with the amounts paid each; and the number of employees who could not be located for payment and the amounts due each. Each such statement should include a recommendation against imposition of ineligibility sanctions together with a brief explanation of such recommendations.

§ 1012.404–10 Restitution.

(a) Regarding labor standards violations determined to have involved underpayment of wages, the contracting officer will make demand on the contractor for prompt restitution. Computation of restitution as claimed by the contractor shall be fully considered by the contracting officer. Upon completion of computation, a summary sheet listing names, addresses, and the unpaid amounts payable to the employees involved should be

prepared by the contractor, a copy of which will be furnished to the contracting officer for his approval. The contracting officer will advise the contractor of the procedure which will satisfy him conclusively that proper restitution has been made, such as the witnessing of cash payments, the furnishing of canceled checks or a certified copy of a supplemental payroll. In apparently serious cases of aggravated, or willful violation or possible criminal action, if the contracting officer has any question that the consequences of such payments of restitution may prejudice the case, he shall refer the matter to the AFLO with recommendations for appropriate action.

(b) When a contractor wishes to make voluntary restitution but the workers involved cannot be located, the contracting officer will effect collection and send the collected money to the disbursing officer on Standard Form 1093. This form should reflect the nature of the violations, the names and last known home addresses of the workers.

(c) There has been established in the General Accounting Office the Account No. 05X6022 into which collections for wage underpayments are deposited. A check drawn on the Treasurer of the United States together with Standard Form 1093 (Revised) is the method by which these collections are deposited to the Account. GAO will make appropriate disbursements to the underpaid employees to whom restitution is due, upon proper request. Inquiries from underpaid employees and/or their applications for payment should be referred to the Claims Division, General Accounting Office, Washington 25, D.C.

3. Section 1012.404–51 is added as follows:

§ 1012.404–51 Air Force liaison offices, Department of Labor regional attorneys, and areas of jurisdiction.

Following are the names and addresses of Air Force Liaison Offices, Department of Labor Regional Attorneys and the areas of their jurisdiction over AF bases and installations for the decentralized Labor Law enforcement procedures contained in §§ 1012.404–7, 1012.404–9 and 1012.404–10.

AF Liaison Office	Dept. of Labor Regional Attorney	Area of jurisdiction
San Francisco APD, Oakland Army Terminal Building, West Grand and Maritime, Oakland 14, Calif. Attn: SMHOI.	307 Appraisers Building, 630 Sansome Street, San Francisco 11, Calif.	California, Arizona, Oregon, Nevada, Hawaii, Utah, Idaho, Washington, Montana, and Alaska.
St. Louis APD, 1114 Market Street, St. Louis 1, Mo. Attn: OCHSP.	1503 Federal Office Building, 911 Walnut Street, Kansas City, Mo.	Colorado, Wyoming, Kansas, Missouri, Nebraska, South Dakota, North Dakota, and Iowa.
Chicago APD, 5555 South Archer Avenue, Chicago 38, Ill. Attn: OCHCP.	105 West Adams Street, Chicago 3, Ill.	Illinois, Wisconsin, Indiana, and Minnesota.
Dallas APD, 912 South Ervay, Dallas 1, Tex., Attn: SAHDP.	1114 Commerce Street, Room 217, Dallas 2, Tex.	Texas, Louisiana, Oklahoma, New Mexico, and Arkansas.
Cleveland APD, 1279 West Third Street, Cleveland, Ohio. Attn: MOHCP.	248 Engineers Building, 1365 Ontario Avenue, Cleveland 13, Ohio.	Ohio and Michigan.
Dayton APD, Building 70, Area "C," Wright-Patterson AFB, Ohio. Attn: MOHBP.	U.S. Court House, 801 Broadway, Nashville, Tenn.	Kentucky, Tennessee, West Virginia, and Virginia.
Air Force Plant Representative at Hayes Aircraft, Birmingham, Ala. Attn: MOBRP.	American Liberty Insurance Company Building, 1401 South 20th Street, Birmingham 5, Ala.	Mississippi, Alabama, Florida, Georgia, North Carolina and South Carolina.
Philadelphia APD, 1411 Walnut Street, Philadelphia 2, Pa. Attn: MAPHP.	Wolf Avenue and Commerce Street, Chambersburg, Pa.	Pennsylvania, Maryland, Delaware, and District of Columbia.
New York APD, 111 East 16th Street, New York 3, N.Y. Attn: MAHYP.	Old Parcel Post Building, 341 Ninth Avenue, New York 1, N.Y.	New York and New Jersey.
Boston APD, Boston Army Terminal, Boston 10, Mass. Attn: MAHBP.	18 Oliver Street, Boston, Mass.	Maine, New Hampshire, Vermont, Massachusetts, Rhode Island and Connecticut.

Subpart F—Walsh-Healey Public Contracts Act

§§ 1012.602–1, 1012.602–2 [Deletion]

Sections 1012.602–1 and 1012.602–2 are deleted.

Subpart H—Nondiscrimination in Employment

Section 1012.806–2 is revised as follows:

§ 1012.806–2 Educational responsibility.

ACO's will at the earliest practical time acquaint the contractor with his responsibilities under the Nondiscrimination clause. To assure that the contractor is aware of his responsibilities under this provision, the contracting officer will submit a letter with the initial contract or purchase order over $2,500 and at periodic intervals thereafter (but not less frequently than every 6 months), submit letters to the contractors with copies of such letters maintained at the office of administration setting forth statements that:

(a) In connection with the performance of work under the contract, award of the contract entails a contractual obligation not to discriminate against any employee or applicant for employment because of race, religion, color or national origin.

(b) Encourage and persuade compliance by the contractor with the spirit as well as the letter of the Nondiscrimination clause in his contract.

(c) Included in the review of the contractor's performance will be a review of his compliance with the provisions of the Nondiscrimination clause.

(d) Special reviews may be conducted to measure progress in the Nondiscrimination Program as well as to furnish educational data in connection with the program.

(e) Where applicable, incorporation of the Nondiscrimination clause of his first-tier subcontracts entails his furnishing such subcontractors with copies of the notice for posting, as required in §§ 12.802 and 12.803 of this title.

(f) Where applicable, his requests for copies of the notice will be directed to the ACO, and that the contractor has the responsibility of furnishing such notices to his subcontractors.

(Sec. 8012, 70A Stat. 488; 10 U.S.C. 8012. Interpret or apply secs. 2301–2314, 70A Stat. 127–133; 10 U.S.C. 2301–2314)

PART 1013—GOVERNMENT PROPERTY

Subpart A—General

1. Section 1013.102–3 is revised to read as follows:

§ 1013.102–3 Facilities.

(a) It is AF policy that contractors provide their own facilities rather than rely on the initial or continued provision of Government-owned facilities. For effectiveness, it is essential that this policy be observed and adhered to during the early stages of AF planning, development of sources, and programming for procurement requirements. Only in cases where it is clearly in the Government's interest to provide industrial facilities to contractors for performance on AF contracts, will the requests for such provisioning be processed for approval (§§ 1013.401 and 1013.2402). The procuring activity will support this policy by exhaustive search for open capacity before placing supplies and services contracts, including those for research and development, which require Government provided facilities. Such contracts will not be placed until open capacity and the maximum degree of subcontracting, consistent with economy and product control, have been considered. Consistent with the policy that contractors will not be given competitive advantage through use of Government provided facilities, the willingness of a contractor to provide and use his own facilities in lieu of Government provided facilities will be a major factor of consideration during the negotiation process. The procuring activity will determine, when considering this factor, whether the provision of facilities will be in the Government's best interests. In reviewing the requirements for provision of industrial facilities the following policies will be observed:

(1) The industrial base; utilization of existing facilities: Existing industrial facilities, which compose the Air Force Industrial Base, will be screened for use in the following order (in preference to Government financed facilities expansions):

(i) Privately owned facilities and production equipment.

NOTE: Contractors will be encouraged to provide all required facilities and production equipment on the most economical basis.

(ii) Privately owned facilities and associated Government owned production equipment not available in the civilian economy.

(iii) Government-owned facilities and production equipment.

NOTE: Government-owned facilities and equipment will be included in the industrial base for the sole purpose of remedying known deficiencies in privately owned ca-

pacity, when such action is in the best interest of national security.

The screening of existing facilities will include any standby installations of the Military Departments and other Government agencies and also the existing subcontracting sources to insure that maximum use will be made of available resources. Privately owned industrial facilities will not be dropped from the industrial base to justify retention of Government-owned facilities. The preference for privately owned facilities, and production equipment indicated in subdivision (i) and (ii) of this subparagraph will not apply to those Government-owned overhaul, repair and production facilities, which, because of their integrated support, are considered organic to the military or must be under military command in an emergency, e.g., service or work of a specialized nature or mission pertaining to special weapons or defense systems.

(2) Capacity of the industrial base: The industrial base will not exceed that needed to support, on the most efficient and economical basis, the combat readiness of the Air Force, its phased expansion, and the production rates that will satisfy AF combat replacement or consumption requirements, as provided in guidance approved or issued by the Secretary of Defense. No Government-owned industrial facilities will be retained which are excess to the fulfillment of these requirements. In general when Government financed facilities are required, they will be provided: (i) Only to the extent necessary to meet current procurement (supply, service, research and development) contract requirements, or (ii) to provide limited facilities augmentation for selected items noted in AFL 78–16. Normally, facility expansions will be based on a two-shift, 5-day work week.

(3) Exceptions: Request for exceptions to the policies stated in subparagraphs (1) and (2) of this paragraph may be made through channels to the Secretary of Defense. These requests will contain a full justification of the basis upon which the exception is requested. When disposition of facilities might significantly affect national, regional, or local economies, the Secretary of Defense will be fully advised in advance of specific action. Reports Exemption Symbol DD–S&L (EXR) 76 is assigned to the information required by this paragraph.

(4) Reduction of industrial vulnerability: Factors pertinent to industrial vulnerability are contained in paragraph 15, AFR 78–4.

(5) Financing: In general, the Department of Defense will not undertake financing of industrial facility expansions unless it can be demonstrated that it is necessary for the Government itself to perform or support the required production or service.

(6) Test facilities at privately owned plants: No Government financed test facilities will be constructed at a privately owned plant if such facilities duplicate available Government-owned test facilities. Exceptions to the above include: (i) When it can be established that existing Government-owned facilities, regardless of service control, are being used to full capacity, or (ii) that existing Government-owned facilities are inadequate from the standpoints of technical characteristics, workload capabilities, or excessive distance from the development or production source of the weapon or equipment, and (iii) it would be impractical to locate additional capacity at another Government-owned facility.

(7) Cooperative use of Government facilities: The heavy cost and the large land areas frequently required for test and development facilities make it imperative that maximum utilization be made of each facility owned by the Government. Therefore, the following rules will be observed:

(i) Each facility will be acquired in a manner and under circumstances in which the Government's interest is complete and exclusive.

(ii) Each facility will be operated according to a periodically established test program; wherever two or more military departments are engaged in programs involving a particular facility, the test program will be arranged by mutual agreement between the interested departments.

(iii) Under regulations established by the Secretary of the cognizant military department, the technical findings resulting from operation of Government-owned facilities will be the property of the Government and will be made available for such dissemination and use as may, from time to time, be found to be in the interest of the Government.

(8) Prior determinations for common use type facilities: The procuring activity will make the following determination, prior to submitting requests for authority to acquire major common-use type facilities such as airfields, liquid oxygen plants, acceptance test stands, large environmental facilities, nuclear test facilities:

(i) The suitability of other like Government-owned facilities under the control of the Department of Defense, regardless of present occupancy, that are located within a reasonable distance of the proposed site, and the possibility of joint usage.

(ii) The location of the proposed facility is the most suitable for the immediate requirement and the estimated present and future requirement of other contractors, and/or components of the Armed Forces.

(iii) Where a future demand appears probable, provisions have been made in the facility design to allow for suitable expansion if necessary.

(iv) Dispersal criteria or applicability, see subparagraph (4) of this paragraph.

(9) Nonseverable industrial facilities: The construction or installation by the Government of nonseverable structures or industrial facilities on privately owned land is discouraged. Whenever such construction is so located, the Government's investment should be protected according to § 1013.406.

(10) Restricted items: The following items are subject to special restrictions, as follows:

(i) Office and cafeteria equipment: Allowable items of furniture, office equipment, and cafeteria equipment will be provided AF prime contractors operating Government-owned or leased AF plants as required, and may be provided to other contractors operating privately owned or scrambled plants (part Government-owned) only in that quantity which is in excess of the contractor's normal peacetime requirements resulting from his construction, leasing, or otherwise acquiring additional productive floor space. Cafeteria equipment such as tableware, trays, and kitchen utensils are considered expendable and will not be provided under facilities contract. Capital equipment such as stoves, dishwashers, steam tables, and chairs may be provided, as above.

(ii) Vehicles: Provisioning of vehicles will be according to Subpart GG, Part 1015 of this title.

(iii) Nonstandard equipment: Nonstandard equipment such as dollies, racks, trays, platforms, stools, and special tables used for handling, storing, and transporting materials and production components and usually scrapped at the end of supply contracts are not considered capital facilities and are not provided under facilities contracts or leases.

(iv) Special tooling: Special tooling and special inspection gages will not be provided under facilities contracts. Special tooling will include tooling equipment and inspection gages designed for and limited to use in production of the particular production contracted for. Examples are templates, jigs, patterns, fixtures, and punching, forming and drawing dies and tools.

(v) Standard inspection equipment: Standard inspection equipment and hand gages will not be provided under facilities contracts when items or sets are usable in the contractor's regular nonmilitary commercial manufacture.

(vi) Personal equipment: Personal equipment such as flight clothing, parachutes, life vests, uniforms, shoes, helmets, goggles, and microphones will not be provided under facilities contracts.

(vii) Plant equipment with an acquisition cost of $500 or less: Personal property of a capital nature with a unit cost of $500 or less will not be provided under the terms of any facilities, supplies, or services contract; except in those cases where it is clearly demonstrated that (*a*) Acquisition at a contractor's expense is uneconomical under the particular circumstances, or (*b*) it is otherwise determined in the Government's best interest to provide such items. Exceptions under the foregoing criteria will be approved by the Director of Production, AMC Aeronautical Systems Center (LMB), or the Chief, Resource Office, AMC Ballistic Missiles Center (LBEB), or for ARDC contracts the Chief Industrial Resources Office (RDMK–4), as appropriate. The above limitation does not apply to: (*1*) Research and development contracts with educational or other nonprofit organizations, or (2) supplies or services contracts which provide for the acquisition of special tooling requiring component items which if utilized for general plant purposes would be treated as plant equipment.

(viii) General purpose production equipment: Neither general purpose production equipment nor funds to procure them will be provided to contractors by the Air Force except when determination is made that such action is clearly in the best interest of the Government. Such determination may be made if the contractor's proposal is supported by a "Make or Buy" evaluation for each general operation involved, together with supporting justification in the form of acceptable reasons why the contractor is unwilling or financially incapable of providing general purpose machinery and equipment, and is in other respects fully documented. Determination of exceptions will be by Chief, Industrial Facilities Division AMCASC or Director of Resources, AMCBMC, as appropriate. All determinations of exceptions will be fully documented and reported according to AFR 78–16 under reports control symbol AF–E55 as amended. Report submitted will contain the following information:

(a) Number of contracts on which exceptions to policy stated above were authorized.

(b) Number and dollar acquisition cost of new general purpose items procured as a result of such exceptions.

(c) Number and dollar acquisition cost of Department of Defense owned general purpose items provided as a result of such exceptions.

The information necessary to prepare and submit the required report will be furnished by the Commander, AMCASC and AMCBMC to the Commander, WRAMA, who will submit the report according to AFR 78–16.

(11) Rearrangement and reconversion: Cost of rearrangement or relocations of facilities within any plant will not be allowed as a facilities cost but will be considered as a preproduction cost or as normal overhead. Cost of reconverting contractors' facilities to peacetime production including rehabilitation of buildings will not be paid for under facilities contracts.

(12) Diversion: If program changes or availability of equipment in AF equipment reserves necessitates diversion of machinery and equipment on hand, or on order, to another contractor, work, up to the point of actual installation by the receiving contractor, will be accomplished, and allowable costs therefor will be reimbursed, under the terms of the losing contractor's facilities contract, and existing purchase orders thereunder, unless authority is granted to supersede the existing purchase order by one issued by the requiring contractor.

(13) Bailment: Facilities will not be furnished under bailment contracts.

(14) Replacement of contractor equipment: No Government-owned machinery or equipment will be used to replace any privately owned machinery or equipment that is currently used on defense production or research and development contract, if the privately owned machinery or equipment is in suitable condition to perform satisfactorily the operations allotted it. Such privately owned facilties are to be kept on regularly scheduled production or research and development contracts.

(15) Government bills of lading: Facilities acquired under facilities contracts will be shipped on Government bills of lading where the Government takes title at the point of origin of shipment. Such facilities, to which the Government has taken title, will not be shipped on commercial bills of lading collect, or otherwise for conversion, unless specifically authorized by the transportation officer-in-charge, commercial traffic officer air procurement district.

(16) Facilities cognizance and responsibility: In plants assigned to the Air Force for procurement responsibility, the Air Force will be responsible for administration, accounting, and any expansion of production facilities. In those plants assigned to other departments which require expansion due to AF production requirements, the Air Force will make funds available to the other department upon request for the AF proportionate share of each facility contract and vice versa in AF assigned plants expanded for requirements of other departments. In plants where procurement responsibility and mobilization and production planning responsibilities are not assigned, expansion will be financed and administered under a facilities contract or lease with the requiring department, unless the contractor has an existing facilities contract or lease with another department, in which case the facilities will be provided and administered thereunder by the other department. Each department will provide, administer, and account for facilities used solely in connection with its research, development, experimental, and overhaul contracts which it issues and fully administers. Exceptions to the above will be made only by agreement between the departments concerned.

(17) Who may issue facilities contracts: Facilities contracts covering AF industrial facilities expansions within the Continental United States will be issued only by LMBI or LBB.

(b) Each procurement contract, facilities contract, lease or other agreement which provides Government-owned facilities, will contain clauses or provisions stating whether the facilities may be used on a charge or no-charge basis (see §§ 1007.2703–12, 1007.2905–5, and 1007.4052 of this chapter, and §§ 1013.402 and 1013.407 of this part). A facilities contract, lease, or agreement under which facilities are held by a contractor will require the periodic payment of a use-charge unless such use-charge is not required according to terms of prime procurement contracts and subcontracts. Where facilities are used without charge, the contract file of the facilities contract, lease, or agreement under which facilities are provided will be documented, by the administering office, to indicate the procurement contracts, subcontracts, or other basis that authorize no-charge use of Government facilities.

2. In § 1013.102–50, the text of paragraph (a) preceding subparagraph (1) is revised as follows:

§ 1013.102–50 Bailments.

(a) Bailment agreements and amendments thereto, issued under the terms and conditions of master bailment agreements will be used to accomplish such bailments except as follows:

* * * * *

Subpart D—Industrial Facilities

§ 1013.403 [Amendment]

In § 1013.403, the word "approval" in line 8 is changed to read "coordination."

Subpart F—Use of Government-Owned Industrial Facilities on Work Other Than for a Military Department

Sections 1013.601, 1013.601–1 and 1013.601–2 are revised as follows:

§ 1013.601 Rental.

§ 1013.601–1 General.

See § 13.601–1 of this title; also Use and Charges Clause, § 1007.2703–12 of this chapter.

§ 1013.601–2 Rental rates.

(a) and (b). See § 13.601–2 (a) and (b) of this title. For portable tools and automotive equipment, rental charges will normally be computed at 25 percent per year based on acquisition cost.

(c) See § 13.601–2(c) of this title; also the Use and Charges Clause, § 1007.2703–12(a) of this chapter. Rental payments (checks) received by contracting officers under facilities contracts will be forwarded for deposit to the appropriate accounting and finance office within 24 hours of receipt. At the time of transmittal, or as soon thereafter as possible, the contracting officer will certify the correctness of the amount of payment and forward such certification to the accounting and finance officer.

Subpart G—Use of Government-Owned Facilities and Special Tooling on Work for Foreign Governments

A new Subpart G is added as follows:

Sec.
1013.700 Scope of subpart.
1013.701 Use without charge.

AUTHORITY: §§ 1013.700 to 1013.701 issued under sec. 8012, 70A Stat. 488; 10 U.S.C. 8012. Interpret or apply secs. 2301–2314, 70A Stat. 127–133; 10 U.S.C. 2301–2314.

§ 1013.700 Scope of subpart.

See § 13.700 of this title.

§ 1013.701 Use without charge.

Requests by a foreign government for rent-free use of AF industrial facilities and special tooling (§ 1013.350) should be forwarded through Director of Procurement and Production, Hq USAF (AFMPP), for consideration and recommendation to the Assistant Secretary of the Air Force (Materiel) for approval or disapproval. The submission will be prepared by the facilities or procurement office concerned and will contain the following: (a) A copy of the request of the foreign government for such use; (b) a statement that the AF facilities contract,

lease, or supply contract under the facilities or special tooling are provided, authorizes or will be amended to authorize the rent-free use; and (c) statements in compliance with the requirements of § 13.701(b) to (f) of this title.

Subpart U—Adjustment of Discrepancies Incident to the Shipment of Government Property

A new Subpart U is added as follows:

Sec.
1013.2100 Scope of subpart.
1013.2101 Definition.
1013.2102 General.
1013.2103 Discrepancies which do not involve carrier liability.
1013.2103–1 Preparation of AF Form 672
1013.2103–2 Distribution of AF Form 672.
1013.2103–3 Responsibilities.
1013.2103–4 Reply to AF Form 672.
1013.2104 Carrier liability under Government bill of lading or commercial bill of lading to be converted.
1013.2104–1 Appropriate action for treating the discrepancy.
1013.2104–2 Responsibilities.
1013.2104–3 Preparation of DD Form 46.
1013.2104–4 Distribution of DD Form 46.
1013.2105 Settlement under Government bill of lading as result of carrier's acceptance of responsibility and agreement to repair.
1013.2106 Carrier liability under commercial bill of lading not to be converted.

AUTHORITY: §§ 1013.2100 to 1013.2106 issued under sec. 8012, 70A Stat. 488; 10 U.S.C. 8012. Interpret or apply secs. 2301–2314, 70A Stat. 127–133; 10 U.S.C. 2301–2314.

§ 1013.2100 Scope of subpart.

This subpart sets forth procedures to be followed whenever discrepancies occur in connection with the shipment of Government-owned property and outlines the responsibilities of Government personnel and contractors to report, adjust, or settle such discrepancies in the Government's interests.

§ 1013.2101 Definition.

"Discrepancies incident to shipment" include all deficiencies incident to the shipment of Government property to or from a contractor's facility whereby differences exist between the property purported to have been shipped and the property actually received. Such deficiencies include, but are not limited to loss, damage, destruction, improper status and condition coding, error in identity or classification, and improper consignment. Deficiencies in preservation, packaging, packing, and dunnage will be reported. When the deficiency is in quality or specifications of product and is sufficient to warrant initiation of an Unsatisfactory Report, the prescribed procedures will be used.

§ 1013.2102 General.

(a) Government property shipped to a contractor for use in the performance of a contract may be subject to loss, damage, or destruction while in transit from a military installation or another contractor's facility, or may be found upon receipt to differ from that property indicated to have been shipped. Since a contractor is responsible and accountable for only that property delivered to his control or custody, procedures are hereinafter set forth to explain and record the circumstances surrounding a discrepancy and to resolve questions of responsibility including determinations of liability where applicable.

(b) A contractor's approved material receiving and inspection procedures provide for verifying the condition and count or weight of property received and for prompt processing of reports, claims, or adjustments required by discrepancies discovered.

(1) The contractor is responsible for processing the claims and/or adjustments in connection with contractor-acquired property when the shipment has been made via commercial bill of lading not for conversion to Government bill of lading and the discrepancy incident to shipment is determined to be carrier responsibility or when the discrepancy is determined to be the vendor's responsibility.

(2) Government personnel are responsible, as set forth herein, for processing claims and effecting adjustments in all instances of discrepancy incident to shipment of Government-furnished property and in those instances of discrepancy incident to shipment of contractor-acquired property moving on Government bill of lading, or for conversion thereto when the discrepancy is determined to be carrier responsibility.

(3) Under either subparagraph (1) or (2) of this paragraph, Government personnel are responsible for assuring: (i) Protection of the Government's interests in connection with any shortage, incorrect representation, damage, or destruction of Government property, (ii) correction of practices which contribute to or result in general conditions of discrepancy, and (iii) adjustment of related problems or conditions resulting from a discrepancy between consignee, consignor, and/or carrier.

(c) A deficiency incident to shipment of Government-furnished property not exceeding $10 in value, or a damage which does not impair the usefulness of the property or render it unsuitable for use and therefore no repairs are effected, may be determined to be inconsequential by the property administrator and need not be reported under the procedures of this general section.

(d) When the quantity or description of property received by a contractor differs from the quantity or description denoted as shipped on the shipping document, and after inspection of the shipment has established the disagreement to be a fact, only that quantity, or property, received will be recorded on the official property records of the contractor.

(e) The method of adjusting discrepancies incident to shipment will vary according to circumstances surrounding a particular case, as determined by Government personnel involved. The procedures in this subpart will be used in reporting and adjusting discrepancies as appropriate to the nature of each deficiency.

§ 1013.2103 Discrepancies which do not involve carrier liability.

(a) When carload or truckload lots which are shippers load and count arrive with the original seals intact or where packages and/or boxes arrive which are determined to have been packed by the shipping activity with no external evidence of tampering or repacking in transit, any discrepancies disclosed upon receipt are obviously the responsibility of the shipper, provided there are no other circumstances to which the discrepancy may be attributed. When the responsibility for adjustment is with Government personnel as described in § 1013.2102(b)(2), the consignor will be advised of the discrepancy through processing AF Form 672, "Report of Discrepancy," or DD Form 6, "Report of Damaged or Improper Shipment," whichever is appropriate to the nature of discrepancy involved.

(b) AF Form 672 is designed for expeditious economic reporting of discrepancies in a manner permitting prompt correction of conditions at the source of the shipment. A report will not be initiated solely for the correction of obvious and minor typographical errors when it is plain that such errors do not constitute a misrepresentation of the property being shipped. If the nature of the discrepancy is such that proper adjustment involves both the shipping and receiving activities, a request for reply will be stated in the report pursuant to instructions set forth in § 1013.2103–4.

§ 1013.2103–1 Preparation of AF Form 672.

When AF Form 672 is prepared, a separate AF Form 672 will be prepared for each shipping document which involves line items under the following conditions:

(a) When the value of the shortage or overage on an individual shipping document exceeds $10.

(b) When the condition or status of an item is determined to be other than that indicated on the shipping document and/or pertinent tags.

NOTE: The standards for status or condition coding are not so precise that a minimum area of personal judgment is entirely precluded. In some cases a slight variance will be possible due to the normal and logical difference of opinion exercised in the shipping as opposed to the receiving inspections. The report will not be initiated unless it is plain that the incorrect status or condition coding results from obvious error in, or failure to perform, the shipping inspection.

(c) When the identity or property classification of any item is found to be other than that indicated on the shipping document and/or pertinent tags.

(1) When a difference in identity or classification is clearly the result of a newly revised catalog, technical order, or other published instructions, the discrepancy will not be reported unless the following two conditions are present:

(i) The shipment is from another AF activity or is the end item from the contract of a shipping contractor.

(ii) The following periods of time have elapsed since the introduction of the revision so that the shipping activity could have incorporated the change in its rec-

ords: (a) 30 days for an AF activity and (b) 60 days for a contractor's activity.

(d) When it is found that the shipment, or any part thereof, is erroneously consigned.

(e) Where the unit price is omitted from the shipping document.

§ 1013.2103–2 Distribution of AF Form 672.

Distribution of AF Form 672 will be as follows:

(a) When a discrepant shipment is received from an AF activity or another Government agency:

(1) The original and duplicate will be forwarded to the consignor.

(2) The triplicate copy will be attached to and filed with appropriate receiving document in the official contract records.

(b) Reports covering shipments from the contractor will be distributed as outlined in paragraph (a) of this section, except that the original and duplicate copy will be forwarded to the ACO for the shipper's contract.

§ 1013.2103–3 Responsibilities.

(a) *At the consignee's activity.* (1) The property administrator at the consignee's activity will assure that the action prescribed herein, with respect to the adjustment of discrepancies incident to shipment, is accomplished. He will collaborate with the AF quality control representative and responsible contractor personnel in the preparation and distribution of AF Form 672. Although this latter action is a collective effort, the preparation and distribution of AF Form 672 is the responsibility of the AF quality control representative or of the activity designated by the chief, air procurement district, or AF plant representative.

NOTE: If the Air Force does not have quality control cognizance for the consignee activity, or for various reasons an AF quality control representative has not been assigned, this responsibility will automatically revert to the AF property administrator.

(2) If conditions require, and request has been made for, reply to AF Form 672, AF personnel responsible for the preparation and distribution of the report (see subparagraph (1) of this paragraph) will take followup action when reply has not been received within 30 days from the date of distribution.

(3) The property administrator and the quality control representative at the consignee's facility will collaborate to assure that actions found necessary as result of reply from the consignor activity are accomplished. Since the reply may require one or more actions of varied nature, it is not possible to specify responsibility herein other than requiring joint review and determination of action, and determination, at that time, as to personnel responsible for the closure action on the basis of type of action required.

(b) *At the consignor's activity.* (1) The AF representative will require conformance with the procedures of this general section towards the prompt adjustment of any discrepancies in shipment reported against a contractor under his cognizance.

(2) The ACO will have the responsibilities described in Part 1054 of this chapter for the adjustment of discrepancies reported against a contract assigned to him for administration. The responsibility for replying to the activity initiating the AF Form 672, and requesting reply, will be with the ACO.

(i) If proper adjustment of the discrepancy reported requires investigation, or other action, on the part of other AF personnel (such as the property administrator, the quality control representative, or the production specialist), the report will be referred to that person for investigation, action, and report to the ACO.

(ii) The ACO's finding of fact will be recorded on the retained copy of AF Form 672, or as an attachment, after necessary investigation of the circumstances and conditions surrounding the discrepancy has been accomplished. The details as to method of adjustment of the discrepancy (correction of shipping documents, shipment of articles to overcome shortage, credit for an overage, etc.) will be noted and properly referenced in the findings.

(iii) When a discrepancy is reported in connection with the identity or property classification of any end items on a contract (see § 1013.2103–1(c)) and investigation discloses that shipment was correctly made according to the contract, the original copy of the report will be noted, "Shipping documents correctly describe articles as per contract." The original copy will then be forwarded to the prime depot for the property class involved. The duplicate copy will be noted, "Shipping documents correctly described articles as per contract. Prime depot notified." The duplicate copy will then be returned to the activity that initiated the report.

(3) The property administrator is responsible for the adequacy and completeness of the contractor's property control system, and for property transactions occurring under contracts to which he has been specifically assigned. AF Form 672 reporting discrepancies that are the result of failures or inadequacies in the property control system will normally be referred to the property administrator for investigation to confirm or refute the condition reported. When an AF Form 672 has been referred to a property administrator for investigation, the quality control representative will collaborate in the investigation and development of findings and recommendations to the extent necessary for establishment of the complete facts and advice to the ACO as to the contractor's responsibility.

(i) When the results of the investigation disclose questionable practices on the part of contractor's employees, or weakness in the contractor's property control system, appropriate action will be taken to correct the unsatisfactory condition.

(ii) When the investigation indicates a possible contractor liability or discloses a question of contract performance, the facts developed will be assembled and submitted, together with recommendations, to the ACO for appropriate action.

(4) The quality control representative is responsible for the adequacy and completeness of the contractor's quality control system, including his shipping practices. AF Form 672 reporting discrepancies that are the result of failures or inadequacies in the quality control system (such as status and condition coding, identification or classification of property, etc.) will normally be referred to the quality control representative for investigation. When an AF Form 672 has been referred to a quality control representative for investigation, the property administrator will collaborate in the investigation and development of findings and recommendations to the extent necessary for establishment of the complete facts and advice to the ACO contractor's responsibility.

§ 1013.2103–4 Reply to AF Form 672.

(a) As indicated in § 1013.2103(b), requests for reply to an AF Form 672 will be confined to those required for the proper adjustment of matters which involve both the shipping and receiving activities.

(1) Normally, no request for reply will be made for discrepancies disclosed in shipments originating with AF activities.

(i) Overages in shipments from AF activities will be retained by the receiving activity, if further requirement for such overages exist, unless return is directed by the AF activity upon receipt of AF Form 672. If there is no known requirement for the overage or retention thereof results in quantities in excess of contractual authorization, such excesses will be automatically returned to the shipping activity.

(ii) No action will be taken by the AF shipping activity to supply items reported as short. If such items are still required, requisitions will be submitted through normal channels.

(iii) Wrong and/or unsatisfactory articles will be considered as simultaneous overages and shortages and processed in the manner prescribed in subdivisions (i) and (ii) of this subparagraph.

(2) When an AF Form 672 is prepared in connection with shipments originating at other than AF activities, a request for reply will be required under the following conditions:

(i) When an overage in shipment creates question as to whether the quantity excess to that purported to have been shipped should properly be retained by the receiving activity or whether the overage should be returned to the shipper.

(ii) Where a shortage in a shipment creates an unsatisfactory condition at the receiving activity wherein anticipated requirements cannot be met with stock on hand. Such condition establishes necessity for determination as to whether the shortage will be adjusted by subsequent shipment, or whether an additional quantity must be requisitioned or procured.

(iii) Receipt of wrong or unsatisfactory articles creates the necessity for information as to method of replacement of the articles, and disposition desired of the wrong or unsatisfactory articles.

(3) Request for reply will be stated in all instances where the AF Form 672 is prepared pursuant to § 1013.2103–1(e).

(b) When after investigation of the discrepancy reported on AF Form 672, the ACO determines that the discrepant shipment, or any part thereof, should be returned to the contractor for repair, rework, modification or replacement, the reply to the reporting activity will be made on the reverse of the AF Form 672 and will be prepared according to the following:

(1) The reply will be specific as to the quantity and description of property being approved for return to the contractor.

(2) Complete instructions will be furnished as to the method of return shipment and the name and address to which the shipment is to be consigned.

(3) The industrial property account identification and control number to which the shipment is to be made will be indicated.

(4) It will be instructed that the following notation be placed on the return shipping document:

Shipped for _____ (Repair, rework, modification, _____ at no cost to the Government. replacement, etc.) Rejection No. AF 33(600)–12345–R1.

The rejection number will consist of the contract number followed by a suffix indicating the sequence number of the discrepancy transaction.

(c) Concurrent with the reply action described in the foregoing, a copy of the reply will be furnished to the property administrator assigned to the contract under which the original discrepancy was made, or if no property administrator has been assigned, to the chief of the industrial property division at the AFPRO or APD having cognizance of the contractor, for assignment of a property administrator.

(d) Upon receipt of the notification indicating that the return shipment of rejected property has been approved, the property administrator will establish a control file identified to the Rejection Control Number.

§ 1013.2104 Carrier liability under Government bill of lading or commercial bill of lading to be converted.

§ 1013.2104–1 Appropriate action for treating the discrepancy.

When a commercial carrier fails to deliver all the packages of property listed on a bill of lading or when the property is not delivered in the same condition as when accepted by the carrier, the responsibility is obviously that of the carrier. Under such circumstances, the discrepancy will be adjusted by accomplishing DD Form 46, "Report of Survey (Discrepancies Incident to Shipment of Materiel)." This instrument will be processed as described herein, to determine liability, if any, of the carrier and to effect an equitable adjustment in transportation charges, where appropriate.

(a) Discrepancies can occur in connection with shipments moving via parcel post, Government truck, or other types of Government transportation. Such discrepancies will not require adjustment by Report of Survey action unless in the opinion of the receiving officer there is evidence of fraudulent or illegal disposition of the property. In the event such an unusual discrepancy occurs, a DD Form 200, "Report of Survey," will be prepared. Although the DD Form 200 differs from the DD Form 46, in format, the same procedures of case investigation and development will be inserted in the appropriate spaces of the DD Form 200. Four copies of DD Form 200 will be prepared. The original and two copies will be furnished to the cognizant AMA and one copy will be retained by the property administrator as a suspense document.

(b) When a discrepancy occurs in connection with a shipment made on a commercial B/L indicated for conversion to Government B/L at destination: (1) The conversion will be made, (2) the notation of discrepancy will be placed on the Government B/L, and (3) the Report of Survey will then be prepared.

(c) If the carrier accepts full responsibility for the damage and agrees to bear full costs of repair of the property, the procedures of § 1013.2105 may be used in lieu of initiating a Report of Survey.

(d) When a shortage in a shipment or damage to Government property received creates a problem in connection with the contract for which the property was requisitioned or procured, the AF representative will determine an appropriate course of action to be taken to preclude any production delay or stoppage. Such actions will be considered as separate and without effect upon the course of settlement under the Report of Survey proceedings, or any determination of liability of the carrier resulting therefrom.

§ 1013.2104–2 Responsibilities.

(a) The accumulation of all facts and evidence necessary to support the Report of Survey will be a collective effort on the part of the property administrator, quality control representative, and interested contractor personnel. It will be the responsibility of the property administrator to insure proper preparation and distribution of DD Form 46.

(b) The AF representative is responsible for the examination of all DD Forms 46 and 200 originating at an activity under his administrative jurisdiction, to assure completeness, accuracy, and compliance with these instructions. Where discrepancies in shipment involving carrier liability are in excess of $500, the AF representative will appoint an individual to serve as surveying officer for the purpose of conducting an impartial investigation of the facts and circumstances pertinent to the case. Otherwise, a surveying officer will be appointed only if evidence in a DD Form 46 or DD Form 200 is conflicting or not sufficiently complete to afford a clear understanding of the data presented, or the AF representative determines such action necessary. The AF representative will exercise due care in selecting a surveying officer, who may be either a commissioned officer or civilian employee, and he will insure that the individual appointed is competent to conduct investigations required.

(c) In accomplishing the administrative review, the AF representative will insure that there are no uninitialed changes, erasures, or interlineations to cause doubt as to the authenticity of any statement in the report. All Reports of Survey will be entered on AF Form 453, "Reports of Survey Register," and the number assigned to the report will be entered in the lower right hand corner on the face of the DD Form 46. The AF representative may return a DD Form 46 or DD Form 200 to the individual who initialed the report, or to the surveying officer, when appointed, for correction, further investigation, or more detailed evidence.

(d) The surveying officer is responsible for making such impartial investigation considered necessary by him to establish the facts in connection with a discrepancy in shipment or according to specific instructions of the AF representative. Individuals who act as surveying officers should thoroughly acquaint themselves with recognized industrial receiving and shipping practices to determine more readily the facts of a particular case. The performance of an investigation will depend upon individual circumstances and the judgment of the surveying officer. Surveying officers will consider carefully the extent of their investigations and refrain from compiling voluminous reports, affidavits, certificates, etc., which do not have a direct bearing on placing responsibility for the discrepancy. They are similarly responsible in assuring that their findings are sufficient in coverage to provide higher headquarters a complete understanding of the facts in the case and specify those factors on which he based his recommendation.

§ 1013.2104–3 Preparation of DD Form 46.

(a) DD Form 46, "Report of Survey (Discrepancies Incident to Shipment of Materiel)," has been designed for use in reporting loss, damage, or destruction of Government property while in the custody or control of a carrier and such shipment is accomplished under a Government bill of lading (GB/L) or a commercial bill of lading for conversion at destination. In the demonstration and control of industrial property, it is used in determining the liability of the carrier and to effect equitable adjustment in transportation charges. Normally, the DD Form 46 will be prepared in quadruplicate. Where the shipment involves reimbursement between the Air Force and another Government agency, an additional copy will be prepared for the information of the office responsible for billing or certifying payment to the agency concerned.

(b) Normally, DD Form 46 will be prepared and processed within 30 days from the date the bill of lading, bearing a discrepancy notation, is released to the carrier. In this connection, the following subparagraphs apply:

(1) Report of Survey covering loss by reason of nondelivery of a portion of a shipment will be prepared and forwarded immediately upon accomplishment of the

GBL. However, it is permissible to withhold accomplishment of the GBL for a period of 30 days after receipt to give the carrier opportunity to complete delivery. When no part of a shipment made on a GBL is received within 30 days, a Report of Survey will be initiated for the entire shipment.

(2) Reports of Survey covering damages will be initiated as soon as possible after inspection and accomplishment of the GBL, regardless of whether repair or disposition has been completed. Unless repairs are made immediately, the Report of Survey should be processed on the basis of estimated repair costs, subject to amendment after actual valuation of the transit damage. In such cases, a statement will accompany the report giving the approximate date actual amounts will be available. When estimated costs are used such estimates should be furnished in the same breakdown formula as prescribed for actual costs in paragraph (e) (5) of this section.

(3) If no repair action is contemplated, complete details will be furnished explaining why it is in the best interests of the Government not to accomplish the repairs. Qualified AF personnel, those persons basically responsible for the item involved, with the agreement of the freight claim agent of the destination carrier will estimate the transit damage when: industrial machinery or equipment (which is moved to or from a contractor's plant or to a Government storage facility) is damaged in transit if the Air Force determined that the equipment is to be disposed of by plant clearance, scrapped, or cannibalized, for reasons other than the transit damage and if there is no valid reason for the material or equipment to be repaired and then scrapped. The foregoing will be considered a joint agreement of the amount of transit damages involved and not necessarily an admission of liability.

(4) The manner by which the Government's damages will be measured is determined by principles of law. The measure of the damages suffered by the Government and ascertaining the amount of damages sustained are matters of fact which must be supported by evidence and so proved. The Report of Survey submitted as the basis of a claim for damages to public property resulting from negligence must establish both the fact of the injury and the negligence of the person or persons concerned. In addition, evidence must be submitted to establish the amount of the claim for damages according to the following criteria:

(i) Lost or destroyed property: Amount to be charged for property, lost or destroyed, is the market value of the property immediately before the loss.

(ii) Irreparably damaged property: Amount to be charged for property irreparably damaged, is the market value of the property immediately before the injury, less any salvage value.

(iii) Reparable property: Where property is damaged and can be repaired, the measure of the damages is the difference in the market value of the item immediately before the injury and the market value of the damaged property immediately after the injury, together with reasonable expense incurred by the Government to preserve the property or minimize the damage. The difference in value is generally the standard of measure of the Government's loss and such difference in values can be evidenced by the cost of repairs necessary to restore damaged property to the condition that existed immediately prior to the injury. However, the Government is not entitled to the full value of repairs, where such repairs make the property more valuable than before the injury. Hence, the reasonable cost of repairs used to evidence the degree of transit damage should exclude any costs which cover rebuilding, overhaul, or modernization of the property or any other cost factors which in any way increase the value of the property over the value that existed before the injury.

(iv) Market value: Where property is not instantly salable upon an exchange at a standard price, the market value to be established is the estimate of what a willing buyer would have paid a willing seller for the same property in the same condition. The market value of property may be proved by opinion evidence of those who are familiar with the selling prices of property at the particular time and place, or by price lists and market reports proved to be generally relied upon in the trade. In cases of transit damage or shortage, the market value will be that which prevails at the time and place of delivery. In the absence of market value at the place of delivery or injury, the nearest available market may be utilized.

(v) Property having no market value: When the property lost, damaged, or destroyed has no market value, the value of such property may be shown by the cost of reproducing or replacing it, less depreciation and salvage value, if any.

(5) If extenuating circumstances preclude submission of a Report of Survey within 30 days after the bill of lading was accomplished with a notation of the shortage or damage, a notice of delay (letter) will be sent to the Settlements Division, Air Force Accounting and Finance Center (AFAFC), 3800 York Street, Denver, Colorado, furnishing information regarding the delay and the date it is expected the report will be forwarded through channels. If the submission of the report is delayed beyond the expected date furnished, a second notice will be submitted to AFAFC. The above responsibility devolves upon each echelon of organization and command involved in the survey action.

(c) Where a bill of lading bearing a discrepancy notation has been released and the property administrator or quality control representative determines that the responsibility is other than that of the carrier, AF Form 672 or DD Form 6, whichever is appropriate, will be prepared in lieu of DD Form 46. The property administrator will advise the AFAFC, by letter reading as follows:

Reference is made to Government bill of lading No. ------ dated ---------- covering (describe property). After appropriate investigation of all the facts and circumstances surrounding the noted discrepancy, it has been determined that no responsibility rests with the carrier. Therefore, no Report of Survey action is necessary and adjustment is being effected through completion of AF Form 672 or DD Form 6 (whichever is appropriate).

(d) DD Form 46 (July 1, 1956) is arranged to require a minimum of detailed instructions. Items requiring further clarification are as follows:

(1) Item 4. Insert shipping point.

(2) Item 5. Insert date DD Form 46 initiated.

(3) Item 6. Insert address of office administering the contract from which shipment is made, if applicable.

(4) Item 7. Insert contract number and/or purchase order number under which shipment is procured, if any.

(5) Column A. Standard nomenclature will be used including the manufacturer's serial number, if applicable. In event of damage the major unit will be described including AF serial number where applicable and not the damaged components. A separate list of damaged components normally will be included in the exhibit pertaining to the cost of repair statement.

(6) Column B. Include both quantity and unit of measure.

(7) Column C. Include original total cost obtained by multiplying the unit cost (not entered on form) of each listed item by quantity. In determining cost to be entered in this column, no allowance will be made for depreciation. Any computation for the amount of damage will be shown in the report of the surveying officer, when appointed, or the property administrator on the reverse of the form or in a detailed analysis sheet filed as an exhibit. After the price, specific reference will be made to the source. Information on the price to be charged will normally be obtained from the pertinent shipping document, supply catalogs, contractor's records, or trade journals. If such price is not available, a reasonable estimate will be used in which the abbreviation "est" will be entered after the price.

(8) Column D. Enter the weight of each short or damaged item. The total of the column should correspond to the weight as shown in the discrepancy notations on the bill of lading. With regard to damaged and reparable items, weight discrepancies will normally include only the weight of the parts or components required to be repaired or replaced.

(9) Column F. Enter the serial number of the boxes, bales, etc., short or damaged.

(10) Item 9. Include the letters prefix and the serial number of the bill of lading.

(11) Item 13. Complete according to data shown in item 12.

(12) Item 28 through 36. Enter all information called for when shipment comprises or was accepted by the carrier as a truckload moving under seal, a carload shipment, or when exclusive use was made of the car at request of the shipper or at the carrier's convenience. Otherwise, enter the letters "LCL" (less than carload lot) or "LTL" (less truckload) as conclusive evidence that this section has been considered. If no seal number, check in item 28, "flat or open car."

(13) Item 37. Do not use—reserve for office taking final action on report.

(14) Items 40, 41, and 42. Do not leave blank. Always include the requested information.

(15) Items 43 and 44. If no surveying officer is appointed, the AF representative will indicate his action in Action A or Action B, whichever is appropriate. If the AF representative desires to expand his remarks, they may be continued in item 46 below.

(16) Item 45. The appointment of a surveying officer will be indicated under Action C, by inserting the name and designation of the individual appointed. The disposition of the damaged property will likewise be indicated. When the property is a total loss, indicate "disposition to be obtained from (insert activity and office code)," "shipping instruction No. _____," or "turned over to carrier." Further, when damaged property is a total loss and action is taken under item 43 or item 44 above, the appropriate notation of disposition will be shown under the pertinent item.

(17) Item 46. The AF representative will complete this item when the loss or damage is less than $500 and a surveying officer is not appointed. However, if it is desired, the AF representative may appoint a surveying officer in any case under $500. Only a brief summary is required and should include a positive statement of the basis for conclusion of the carrier's liability. (See § 1013.2104–2 (d).) Exhibits submitted will be listed alphabetically giving the title of each. Include the name of the carrier responsible for the discrepancy and the address of the home claim office.

(18) Item 47. Date and approval of the AF representative. The AF representative may approve Reports of Survey as submitted to him without comment other than the word "approved", which will be a concurrence of the surveying officer's findings. If he does not approve the recommendations of the surveying officer or wishes to add a new recommendation, the AF representative may do so in any available space on the back of the form, provided the reason for such action is stated. His signature and designation will be shown immediately below the entry.

(e) Exhibits to DD Form 46 should be provided only to the extent necessary to effect settlement of a particular case. Normally, one affidavit or disposition will be sufficient to establish a fact or refute an allegation. Originals of substantiating documents will be submitted in support of the original DD Form 46, except where copies are authorized below. Only copies produced by photographic or other permanent method of reproduction are acceptable. The GB/L number involved will be conveniently and legibly inserted on the face of each exhibit. Exhibits attached to the original DD Form 46 will include the following:

(1) Two true copies of the Government bill of lading, including discrepancy notation on reverse side.

(2) Certified true copies of the freight bill or delivery receipt showing any discrepancy notation and signature.

(3) A signed statement of the carrier's local agent (carrier's inspection report) admitting existence of the shortage or damage. It will be noted that this is not an admission of liability. If within 2 weeks after it is requested, the statement is not received from the carrier, a tracer letter will be sent. If at the time the Report of Survey and all other exhibits are ready for submission to higher echelon and answer is still not forthcoming, the pertinent exhibit copies of correspondence will be so noted. The processing of a Report of Survey will not be delayed because of nonreceipt of this statement from the carrier.

(4) A signed statement of the receiving checker containing:

(i) Bill of lading number.

(ii) Number of packages, etc., received.

(iii) Condition of packages, etc.

(iv) Statement as to cause of damage, if known. Otherwise, a reliable opinion based on circumstantial evidence.

(v) Complete description of shipment.

(vi) Identity of car or vehicle from which shipment was checked.

(vii) Date car or vehicle was placed for unloading.

(viii) Record of seals on car or vehicle at origin and destination and whether applied by shipper and/or carrier. If shipment moved as "LCL" or on an "open" or "flat" car, so indicate.

(ix) Date and time unloading was commenced and completed.

(x) General condition of car or vehicle.

(xi) Adequacy of blocking and bracing.

(xii) Circumstances involving discovery of damage.

(xiii) In event of shortage, information as to method of checking used, i.e.: whether by stroke, tally, box number, etc.; where checking was accomplished; and whether the car or vehicle was left unguarded and unlocked while being loaded.

(xiv) Copy of any DD Form 6, "Report of Damaged or Improper Shipment," prepared in connection with the shipment.

(xv) In damage cases involving loading, bracing, or blocking defects, a statement should be obtained from the shipper describing: (*a*) Conditions under which loading, bracing, blocking, and inspection took place, (*b*) whether the carrier or shipper performed such functions, (*c*) whether the property that was subsequently damaged was open to ordinary observation at the time of inspection, and (*d*) whether the packing, loading, bracing, and blocking was according to the terms of a contract, rules of American Association of Railroads, American Truckers Association, or Interstate Commerce Commission. The shipper should be requested to furnish all information other than self-serving statements to assist in determining liability.

(5) Two copies of detailed cost breakdown of actual cost of repairs. "Actual cost of repairs" is that cost applicable to the transit damage only. In this connection the following information is required:

(i) Labor hours and rate per hour.

(ii) Cost of material and parts used with unit costs.

(iii) Credits allowed for salvage and replaced parts.

(iv) Overhead unless this is included in the labor rate.

(v) Transportation to and from a repair activity. (Obtain copy of waybills.)

(vi) Other costs. (Packaging, etc.)

(6) Evidence of local or carriers salvage when an item is damaged beyond economical repair. (Classified property will not be turned over to a carrier. Salvage or destruction of such property will be carried out according to §§ 805.1 to 805.17 of this chapter.)

(7) Copy of the shipping document together with packaging data substantiating any property shortage. The shipping officer's voucher number should be inserted in item 17, DD Form 46.

(8) In event of delay in processing DD Form 46, copy of letter submitted to the Settlements Division, AFAFC, as required under paragraph (b) of this section.

(f) Concealed loss and/or damage: (1) When shortages in, or damages to, a shipment are not revealed at time of delivery but are subsequently disclosed as carrier responsibility prior to surrendering the bill of lading, the carrier will be notified at once and requested to inspect the physical evidence of loss or damage. Immediate action will be effected to obtain the following in support of the DD Form 46:

(i) Copy of the carrier's inspection report.

(ii) Accomplish carrier's concealed loss and damage form.

(2) If loss or damage is discovered after the bill of lading has been accomplished and surrendered to the carrier, procedure will be as in subparagraph (1) of this paragraph, but the notice will be in writing referencing the bill of lading number involved and itemizing the lost or damaged property, including complete information of weights and value.

(g) Disposition of property damaged beyond economical repair: When the damage reported is determined of such extent that the property is beyond economical repair and disposal action is appropriate, the property administrator at the receiving activity will obtain a signed statement from the staff judge advocate servicing that activity, indicating the Report of Survey Case is legally sufficient to support any litigation and that the physical presence of the damaged property is no longer required as evidence. This statement will be retained with the file pertaining to the Report of Survey. In the case of industrial reserve equipment, the statement will be processed pursuant to existing regulations.

(h) Accounting classification: It is required that DD Form 46 cite the accounting classification to be credited prior to submission of the Report of Survey to the AF Accounting and Finance Center, MSAF, Denver, Colorado. This citation is the responsibility of the PIC office having fiscal administration of the contract(s) involved.

§ 1013.2104–4 Distribution of DD Form 46.

Upon completion of the DD Form 46, all copies will be submitted to the AF representative for his action or the appointment of a surveying officer, if ap-

propriate. Where a surveying officer is appointed, all copies of the DD Form 46 will be forwarded to him by the AF representative. Upon completion of action by the surveying officer, all copies will be returned to the AF representative for completion (see § 1013.2104–3(d)(19)) and distribution as follows:

(a) *Original and triplicate.* Submit through the appropriate PIC office for accounting classification to the Settlements Division, Air Force Accounting and Finance Center, Denver, Colorado. After final action has been accomplished by the Settlements Division, AFAFC, the triplicate copy will be returned to the initiating activity for the official contract records, after which the duplicate may be removed and destroyed.

(b) *Duplicate.* Normally this copy will be attached to and filed with the pertinent shipping document.

(c) *Quadruplicate.* Retained in the office of the AF representative with permanent files of DD Form 46 processed by that activity.

§ 1013.2105 Settlement under Government bill of lading as result of carrier's acceptance of responsibility and agreement to repair.

Procedures set forth in this section may be followed in lieu of action by Report of Survey, when the authorized agent of the delivering carrier accepts liability for damage to Government property and agrees to restore same at no cost to the Government. Caution: Truck drivers, freight agents, etc., may not be authorized agents and acceptance of liability from such persons can be considered as not binding upon the carrier and may be later disclaimed. The procedure in this section will not be used in connection with classified articles referred to in §§ 805.1 to 805.17 of this chapter.

(a) *Repair, or arrangement for repair, by carrier.* When the authorized agent of the delivering carrier admits liabilities, in writing, for damage to Government property and states a willingness to repair, or to arrange for the repair of the property, the property administrator will determine through consultation with the contracting officer whether such an arrangement is feasible. If it is determined that repair by the carrier is in the best interests of the Government, the property administrator will notify the carrier that the Government has no objections to such a course of settlement. In such transactions, the following controls will be applied:

(1) The bill of lading will be indorsed with a notation that the damaged item was retained by the carrier pending delivery in good order. Such notation will be made even though shipment is physically delivered.

(2) If the carrier removes the property from the consignee's possession to transfer to another place of repair, a receipt in duplicate, completely describing the article being moved, will be obtained by the property administrator, regardless of whether or not the bill of lading has been relinquished. Where the nature of property, or the extent of damage will require the use of specialized repair contractors to accomplish repairs in acceptable manner and according to exact specifications, the carrier will be advised of such requirements and recommend approved sources. Recommendation of source does not waive the Government's right to inspection and acceptance.

(3) If arrangements for repair are made between the carrier and the consignee (contractor), AF personnel will not enter into such negotiations but the property administrator will obtain from the contractor a written statement indicating that full reimbursement for the repairs will be made by the carrier to the contractor, and that no costs, direct, or indirect, will revert to the Government.

(4) A suspense account will be established by the property administrator to insure documentation of the transaction and followup to obtain return of the repaired property within agreed time limits. Since responsibility for the property rests with the carrier (under the delivery contract, B/L) pending satisfactory delivery, no contractual authority other than reference to the bill of lading will be required.

(5) Upon completion of the repairs, acceptance of the property will be subject to the acceptance procedures of the Government.

(6) Upon satisfactory delivery and acceptance, the property administrator will furnish detailed advice to the Settlements Division, Air Force Accounting and Finance Center, 3800 York Street, Denver, Colorado, indicating: (i) That repairs were satisfactorily made and (ii) that the Government bore no costs thereof, thereby clearing the indorsement of exception previously placed on the bill of lading.

(7) If the carrier cannot arrange for the necessary repairs, or does not desire to do so, a Report of Survey will be initiated.

§ 1013.2106 Carrier liability under commercial bill of lading not to be converted.

(a) *General.* When the provisions of § 1007.4004 of this chapter are in a shipper's contract, Government property (up to prescribed weight limitations) may be shipped on a prepaid commercial bill of lading. Such bills of lading are not intended for conversion and the processing of claims for loss or damage is the responsibility of the consigning contractor.

(b) *Responsibilities of Governmental personnel.* (1) After collaboration with quality control and contractor personnel, the property administrator at the consignee's activity will send all facts and evidence necessary to the support of a claim, to the consigning contractor through the office of the administrative contractor officer for the consignor.

(2) In the case of shipments consigned to the AF activities, the transportation officer at the receiving station will send all facts and evidence necessary to the support of a claim, to the consigning contractor through the office of the administrative contracting officer for the consignor.

(3) The administrative contracting officer for the consignor's contract will maintain followup necessary to insure that the claim is satisfactorily processed and concluded, and that proper credit or adjustment is made in the Government's interest.

Subpart X—Facility Expansion Procedure

1. Section 1013.2401 is revised as follows:

§ 1013.2401 General.

Facility expansion projects fall into two general classes—facilities leases and facilities contracts. Facilities leases normally are used where only existing industrial facilities are to be furnished to a contractor or supplier. Facilities leases are not authorized when the contractor is to be reimbursed for facilities costs unless approved by the Secretary. Facilities contracts are used whenever the contractor is to be reimbursed for facilities costs.

2. In § 1013.2401–1, that part of paragraph (a) preceding subparagraph (1), and paragraph (c), are revised as follows:

§ 1013.2401–1 Delegation of authority.

(a) The Commander, AMC, has been authorized to exercise those approvals of projects for expansion (acquisition, construction, rehabilitation, major repairs) of industrial production facilities, where the estimated cost will not exceed $500,000. The Commander, AMC, has redelegated this authority to the Director of Procurement and Production, Hq AMC, and the Commander, AMC Aeronautical Systems Center, without power of further redelegation. The exercise of this authority as well as any other action with regard to the expansion of industrial facilities will be subject to the following conditions and limitations:

* * * * *

(c) Previous delegations pertaining to the ICBM and IRBM No. 1 Programs will not be affected by the provisions contained herein; nor will any subsequent delegation specifically pertaining to those programs be governed by the provisions contained herein.

§ 1013.2402 [Amendment]

3. In § 1013.2402(d), subparagraph (3) is deleted.

§ 1013.2403–2 [Amendment]

4. In § 1013.2403–2:

a. The material in 32 CFR, 1958, Supp., page 694, published as (o) (4) to (8) should be (p) (4) to (8) as in 23 F.R. 1481, March 1, 1958.

b. Paragraph (r) is revised and a new paragraph (s) is added, as follows:

(r) Facilities clause: Where applicable, quote the facilities clause in the procurement (end item) contract which refers to the facilities to be provided. Also give procurement contract number and date effected or anticipated date of procurement contract coverage.

(s) Royalties charge data: Applications for facilities which contemplate an expenditure estimated to be in excess of $10,000 and the payment of a royalty charge in excess of $250 will contain the information required by § 1003.101–

53(f)(1) of this chapter. All facilities applications of an estimated cost in excess of $10,000 for which royalties are estimated at less than $250 will contain a statement of that fact. In applying this provision only royalties to be reimbursed under the facilities contract or other contract under which the facilities are to be provided will be considered.

Subpart CC—Limited Power of Attorney for Procurement From GSA or FSS Contractors by AF Contractors

1. The title of Subpart CC is revised as shown above.

2. Section 1013.2903 is revised to read as follows:

§ 1013.2903 Procedure.

When office furniture and equipment must be supplied under a facilities contract or a facilities clause of a supply or service contract and cannot be furnished from excess, it must be purchased under the Limited Power of Attorney set forth herein. Compliance with 40 U.S.C. 483(b) will be made by purchase from GSA or by securing a release from that agency prior to purchase. Such release, to purchase from sources other than GSA, will be in writing and will be retained in the contract files of the ACO authorizing the purchase.

(a) *Limited power of attorney.* AF contractors designated by the Facilities Contracting Officer, LMBI, LBB, or RDSKR, to make procurements under the provisions of this subpart will be given a limited power of attorney (see § 1013.2903–1 for form) by the contracting officer authorizing the contractor to (1) issue purchase orders for the procurement of mandatory items and office furniture or equipment from GSA or from an FSS contractor; (2) issue tax exemption certificates in lieu of payment of certain state and other taxes.

(b) *Supply schedules and catalogs.* AF contractors given this limited power of attorney by the contracting officer should secure a copy of the required Federal Supply Schedules and Catalogs from the nearest GSA regional office to enable them to properly utilize the property sources made available to them.

(c) *Purchase order forms.* In submitting purchase orders to the GSA or FSS contractors, the AF contractor will use his regular purchase order form and place the order in the name of the U.S. Government (Department of the Air Force) by the contractor as agent. For example:

U.S. GOVERNMENT (DEPARTMENT OF THE AIR FORCE)

By: Richard Doe and Company
(Signature) _____
(Title) _____

The following statement will be included on purchase orders submitted to GSA or FSS contractors:

This order is placed by Richard Doe and Company as agent for and on behalf of the U.S. Government (Department of the Air Force) under Contract No. _____ for furnishing the above property or equipment.

Purchase orders issued according to this subpart will bear instructions to bill and forward the invoices to the purchasing AF contractor. The AF contractor will make payment and request reimbursement in the usual manner.

(d) *Typewriters.* Before submitting purchase orders for manually operated typewriters to FSS contractors, the AF contractor will obtain a certificate of unavailability from the nearest GSA regional office. Upon issuance thereof by GSA, the AF contractor will add the following statement to that required by paragraph (c) of this section on the purchase orders.

This order is covered by General Services Administration Certificate of Unavailability No. TC _____

(e) *Taxes.* All purchases made by the AF contractors under Limited Power of Attorney as provided for herein are to be made exclusive of the same taxes as would be the case if the purchase were made by an AF contracting officer direct. Assistance in tax problems will be provided by the appropriate staff judge advocate's office.

Subpart DD—Leasing of Machinery and Industrial Equipment

Section 1013.3002(c) is revised to read as follows:

§ 1013.3002 Delegation of authority; leases of machine tools and other production equipment.

* * * * *

(c) The authority has been further delegated by the Director of Procurement and Production, Hq AMC, to the following:

(1) The commander and deputy commander of the air materiel areas with power of redelegation to directors of procurement and production only.

(2) The commander and deputy commander of the AMC Ballistic Missiles Center, and the AMC Aeronautical Systems Center with power of redelegation to the Director of Resources.

(3) The commander and deputy commander of the AMC Electronic Systems Center, with power of redelegation to the Director of Procurement and Production or comparable level.

Subpart II—Accelerated Tax Amortization

Subpart II is deleted.

(Sec. 8012, 70A Stat. 488; 10 U.S.C. 8012. Interpret or apply secs. 2301–2314, 70A Stat. 127–133; 10 U.S.C. 2301–2314)

PART 1015—CONTRACT COST PRINCIPLES

Subpart B—Supply and Research Contracts With Commercial Organizations

Section 1015.204(w)(6) is revised to read as follows:

§ 1015.204 Examples of items of allowable costs.

* * * * *

(w) Traveling expenses:

* * * * *

(6) Per diem. Establishment of a schedule of per diem rates is recommended. Schedule should be consistent with contractor's experience, provided this experience is not unreasonable by comparison with contractors in comparable industries or areas, and provided further that rates are not in excess of those specified herein. Consideration should be given to duration of travel time. Where the employee travels to one location and remains for an extended period, per diem allowance should be lower than the per diem allowed for trips of short duration. Expenses of nonexecutive employees should be less than expenses of executives. Present conditions indicate that general range of such daily expenditures varies; in case of chief executives and chief research scientists, from $15 to $18 for all types of trips; in the case of lesser executives, from $14 to $15 for all types of trips; in the case of other employees, from $13 to $14 for brief trips and from $11 to $13 for definite trips (over 30 days). Per diem rate schedules submitted to contracting officers for approval will be consistent with the general ranges. All approvals will be in writing and will specify, either by reference to a written schedule of the contractor or otherwise, the per diem approved as reasonable. General ranges listed above will be reviewed periodically by the Director of Procurement and Production, Hq AMC, and will be subject to upward or downward revisions. In computing per diem for continuous travel of more than 24 hours, the calendar day (midnight to midnight) will be the unit. For fractional parts of a day at start or end of continuous travel, one-fourth of rate for a calendar day will be allowed for each period of 6 hours or fraction thereof. For continuous travel of less than 24 hours, one-fourth of rate for a calendar day will be allowed for each 6-hour period or fraction thereof. However, no per diem will be allowed when departure is after 0800 hours and return on same day is before 1800 hours. No per diem will be paid for periods charged to vacation or sick leave.

(Sec. 8012, 70A Stat. 488; 10 U.S.C. 8012. Interpret or apply secs. 2301–2314, 70A Stat. 127–133; 10 U.S.C. 2301–2314)

PART 1016—PROCUREMENT FORMS

Subpart B—Forms for Negotiated Procurement

1. Sections 1016.201 and 1016.202 are revised to read as follows:

§ 1016.201 Request for quotation (Standard Form 18).

See § 16.201 of this title.

§ 1016.202 Negotiated contract forms (DD Forms 1261 and 1270).

See § 16.202 of this title.

(a) to (f). See § 16.202 (a) to (f) of this title.

2. In § 1016.207–50, a new paragraph (d) is added as follows:

§ 1016.207–50 Price redetermination forms (AFPI Forms 4, 4A, and 4B).

* * * * *

(d) AFPI Form 85, "Report of Final Settlement, Incentive Contracts."

Subpart D—Construction Contract Forms

Sections 1016.401 to 1016.401–4 are revised to read as follows:

§ 1016.401 Standard Forms 19, 19A, 20, 21, 22, 23, and 23A.

§ 1016.401–1 General.

See § 16.401–1 of this title.

§ 1016.401–2 Use of forms for negotiated construction contracts.

Standard Form 19 will not be used for negotiated construction contracts of less than $2,000; such contracts will be entered into on AFPI Forms in the 79 series (§ 1016.450). All negotiated construction contracts in excess of $2,000, except those where the work is to be performed outside the United States, its Territories and possessions, entered into on a fixed-price basis, will consist of Standard Form 23, 23A, and such Additional General Provisions and Special Provisions as may be prescribed in Subpart EE, Part 1007 of this chapter. For construction contracts executed by foreign procurement activities see §§ 1007.4206, 1007.4207, and 1007.4208 of this chapter.

§ 1016.401–3 Conditions for use.

See § 16.401–3 of this title.

§ 1016.401–4 Terms, conditions and provisions.

See § 16.401–4 of this title and Subpart EE, Part 1007 of this chapter.

Subpart E—Special Contract and Order Forms

1. Section 1016.504 is revised as follows:

§ 1016.504 Order for paid advertisements (Standard Forms 1143 and 1143a).

Implementation is set forth in § 1002.202–4 of this chapter.

2. Section 1016.506 is added as follows:

§ 1016.506 Communication service authorization (DD Form 428).

DD Form 428 will be used only in procuring communication services and facilities from commercial communication common carriers.

(Sec. 8012, 70A Stat. 488; 10 U.S.C. 8012. Interpret or apply secs. 2301–2314, 70A Stat. 127–133; 10 U.S.C. 2301–2314)

PART 1017—EXTRAORDINARY CONTRACTUAL ACTIONS TO FACILITATE THE NATIONAL DEFENSE

A new Part 1017 is added as follows:

Sec.
1017.000 Scope of part.
1017.001 Approval of regulations and deviations.

Subpart A—General
1017.101 Previous authority.
1017.102 General policy.
1017.103 Types of actions.
1017.104 Definitions.

Subpart B—Requests for Contractual Agreement
1017.200 Scope.
1017.201 Authority of the secretaries.
1017.202 Contract Adjustment Boards.
1017.203 Authority of other officers and officials.
1017.204 Standards for deciding cases.
1017.205 Limitations upon exercise of authority.
1017.205–1 General limitations.
1017.205–2 Additional limitations upon authority below secretarial level.
1017.206 Contractural requirements.
1017.207 Submission of requests by contractors.
1017.207–1 Filing requests.
1017.207–2 Form of requests by contractors.
1017.207–3 Records.
1017.207–4 Facts and evidence.
1017.208 Processing cases.
1017.208–1 Investigation.
1017.208–2 Disposition below secretarial level.
1017.208–3 Submission of cases to the Contract Adjustment Board.
1017.208–4 Processing by Contract Adjustment Boards.
1017.208–5 Maintenance of records.
1017.208–6 Interdepartmental coordination.
1017.208–50 Implementing documents.
1017.208–51 Letters of denial.

Subpart C—Residual Powers
1017.300 Scope.
1017.301 Delegations of authority.
1017.302 Standards for using residual powers.
1017.303 Procedures.
1017.304 Maintenance of records.

Subpart D—Records of Requests and Dispositions
1017.400 Scope of subpart.
1017.401 Preliminary records.
1017.402 Final records.
1017.403 Sample format for preliminary and final records.

Subpart E—Act and Executive Order
1017.500 Scope of subpart.
1017.501 Act of August 28, 1958 (Public Law 85–804, 50 U.S.C. 1431–1435).
1017.502 Executive Order No. 10789 of November 14, 1958 (23 F.R. 8897).

AUTHORITY: §§ 1017.000 to 1017.502 issued under sec. 8012, 70A Stat. 488; 10 U.S.C. 8012. Interpret or apply secs. 2301–2314, 70A Stat. 127–133; 10 U.S.C. 2301–2314.

§ 1017.000 Scope of part.

See § 17.000 of this title.

§ 1017.001 Approval of regulations and deviations.

See § 17.001 of this title.

Subpart A—General

§ 1017.101 Previous authority.

See § 17.101 of this title.

§ 1017.102 General policy.

See § 17.102 of this title.

§ 1017.103 Types of actions.

See § 17.103 of this title.

§ 1017.104 Definitions.

See § 17.104 of this title.

Subpart B—Requests for Contractual Adjustment

§ 1017.200 Scope.

See § 17.200 of this title.

§ 1017.201 Authority of the Secretaries.

See § 17.201 of this title.

§ 1017.202 Contract Adjustment Boards.

See § 17.202 of this title.

§ 1017.203 Authority of other officers and officials.

The authority delegated as listed in § 17.203(b)(3) of this title has been redelegated as follows:

(a) The Commander, AMC, has redelegated his authority, within AMC, to his Director of Procurement and Production. The Director of Procurement and Production has redelegated his authority to his Deputy Director of Procurement and to his Deputy Director of Production, while he is acting as the Director of Procurement and Production. The Director of Procurement and Production, Hq AMC, has redelegated his authority to:

(1) The Commander-in-Chief and the Vice Commander-in-Chief, United States Air Force, Europe, who have redelegated their authority to their Director of Procurement and Production.

(2) The Commander-in-Chief and the Vice Commander-in-Chief and Chief of Staff, Pacific Air Force.

(3) The Commander and Deputy Commander, Alaskan Air Command, who have redelegated their authority to their Director of Procurement and Production.

(4) The Commander and the Chief of Staff, Caribbean Air Command, who have redelegated their authority to their Director of Procurement and Production.

(5) The Commander and Deputy Commander, Air Materiel Force, European Area.

(6) The Commander and the Deputy Commander, Air Materiel Force, Pacific Area, who have redelegated their authority to their Director of Procurement and Production.

§ 1017.204 Standards for deciding cases.

See § 17.204 of this title.

§ 1017.205 Limitations upon exercise of authority.

§ 1017.205–1 General limitations.

See § 17.205–1 of this title.

§ 1017.205–2 Additional limitations upon authority below Secretarial level.

In addition to the limitation set forth in § 17.205–2 of this title, officers and officials below the Secretarial level will not approve contractors' requests, regardless of dollar amount, if implementation of the approval would require action at the Secretarial level; for example, if a determination and findings under 5 U.S.C. 55a (P.L. 600, 79th Cong.) would be required. Such requests may be denied or submitted to the Air Force Contract Adjustment Board (see § 17.203 (a) (1) and (3) of this title).

§ 1017.206 Contractual requirements.

See § 17.206 of this title.

§ 1017.207 Submission of requests by contractors.

§ 1017.207–1 Filing requests.

(a) The filing of a claim does not relieve the contractor of its obligation to continue performance according to the terms of its contract.

(b) When a person files a request directly with the cognizant contracting officer or his duly authorized representative, the contracting officer will, without delay, notify the appropriate commander listed in § 17.203(b) of this title, of the request. The notification will be made by letter or electrically transmitted message and will, when addressed to Commander, AMC, be marked Attn: MCPR (Readjustment Division). The notification will contain the information necessary to prepare the preliminary record required by § 17.207–3 of this title and described in § 17.401 of this title.

§ 1017.207–2 Form of requests by contractors.

See § 17.207–2 of this title.

§ 1017.207–3 Records.

See § 17.207–3 of this title.

§ 1017.207–4 Facts and evidence.

See § 17.207–4 of this title.

§ 1017.208 Processing cases.

§ 1017.208–1 Investigation.

(a) *General.* To assist the officers and officials having authority to approve, deny, or recommend for approval by the Air Force Contract Adjustment Board, in obtaining facts and evidence in connection with their own investigations, the cognizant contracting officer, upon receipt of a contractor's request will check the adequacy and investigate the accuracy of the information supplied. Contracting officers should make use of available AF personnel in their investigations. Contracting officers will not, however, request that an audit be performed by AF personnel in respect to the contractor's request. If an audit is deemed necessary, it will be requested by the officers and officials referred to above. As a part of his investigation, the contracting officer will obtain such of the additional facts and evidence described in § 17.207–4 of this title as he considers will be necessary in the decision of the case.

(b) *Forwarding to approving authority.* Upon completion of the investigation, the contracting officer will forward the request for relief, all documents and correspondence relating thereto, and the contract file, together with his comments and specific recommendation, to the appropriate command listed in § 17.203(b) (3) of this title. Where that command is AMC, the material will be forwarded to the AMC (MCPR).

(c) *Contract file.* The contract file submitted according to paragraph (b) of this section will in all cases include:

(1) A copy of the contract and all change orders and supplemental agreements.

(2) A copy of the IFB or RFP.

(3) An abstract of bids or proposals received and a copy of any applicable findings and determination.

(d) *Contracting officer's recommendation and comments.* The contracting officer's recommendation should state whether, in his opinion, the contractor's request should be approved, in whole or in part, or denied. If the contracting officer recommends approval involving a change in the contract price or other payment to the contractor, the recommendation should specify the dollar amount which the contracting officer considers fair and reasonable with supporting evidence. Contracting officer's comments will include:

(1) A statement of facts based on the contracting officer's knowledge of the circumstances involved.

(2) A statement as to whether the contractor has submitted the information required by § 17.207–2 of this title or requested by the contracting officer pursuant to § 17.207–4 of this title, and commenting on the accuracy and completeness of information so received.

(3) When the contracting officer recommends approval, in whole or in part, of the contractor's request, a statement of why the subject matter of the request could not be resolved under the terms of the contract itself.

(4) A statement of the extent of performance and whether performance to date has been satisfactory.

(5) Whether contractor is a small or large business, if not stated in the contract.

(6) Where the contractor has alleged a mistake, a statement of when the alleged mistake was first brought to the contracting officer's attention, whether he believes that a mistake actually occurred, and, if so, how it occurred; for example, through clerical or mathematical error in the contractor's office, through an error in the bid, etc. (and whether in advertised procurements, he requested verification of the bids).

(7) Where the contractor has alleged an informal commitment, a statement of the action taken by the Government, whether the Government actually received supplies or services as a result of that action, and evidence to support or preclude a finding that at the time the informal commitment, if any, was made it was impracticable to use normal procurement procedures.

(8) Such additional evidence as the contracting officer considers pertinent.

§ 1017.208–2 Disposition below Secretarial level.

(a) *Disposition.* Authority to deny contractors' requests has not been delegated to contracting officers at any level. All contractors' requests must be forwarded for action as directed by § 1017.208–1.

(b) *Records.* The following documents will be submitted through AMC (MCPR) within 5 days after the close of the month during which it is executed:

(1) Three copies of the Memorandum of Decision and supporting materials.

(2) Two copies of the contractual document implementing any decision, approving contractual action or letter of denial to the contractor.

(3) Two copies of the final record, as prescribed in Subpart D of this part, prepared by the activity responsible for the case under § 17.203 of this title.

§ 1017.208–3 Submission of cases to the Contract Adjustment Board.

See § 17.208–3 of this title.

§ 1017.208–4 Processing by Contract Adjustment Boards.

See § 17.208–4 of this title.

§ 1017.208–5 Maintenance of records.

See § 17.208–5 of this title.

§ 1017.208–6 Interdepartmental coordination.

See § 17.208–6 of this title.

§ 1017.208–50 Implementing documents.

If a decision of approval is to be implemented by a contractual document to be issued by a field office of any Major Command, the Command rendering the decision as listed in § 17.203(b)(3) of this title should prepare a contractual document in draft form containing all the mandatory requirements of § 17.206 of this title and forward to the field office to enable it to issue a proper contractual document. A copy of the draft should be forwarded to the major command of the field office concerned.

§ 1017.208–51 Letters of denial.

Where a contractor's request is denied at or below the Secretarial level, a letter informing the contractor that its request has been denied, and by whom, will be prepared and sent by the appropriate command listed in § 17.203(b)(3) of this title, or by the contracting officer at the request of that command.

Subpart C—Residual Powers

§ 1017.300 Scope.

See § 17.300 of this title.

§ 1017.301 Delegations of authority.

Authority to make or approve contracts for sales of Government property with an acquisition cost of $50,000 or less, subject to the standards specified in § 1017.302, has been delegated to the Deputy Chief of Staff, Materiel, and has been redelegated to the Commander, Air Materiel Command, and further redelegated to the Director of Procurement and Production, or Deputy Director of Procurement, or Deputy Director of Production while he is acting as the Director of Procurement and Production, Hq AMC.

§ 1017.302 Standards for using residual powers.

(a) Sales of Government property pursuant to the delegations of authority described in § 1017.301 will be subject to the limitations set forth in § 17.205–1 of this title and in addition:

(1) Each such sale will be based on a finding that is made in connection with and will facilitate or expedite performance of a specific contract or subcontract for military procurement.

(2) The property sold must not be obtainable by the contractor or subcontractor without unreasonable delay through commercial sources or through the exercise of other Government sale or property disposal authority, and it must be impracticable to furnish such

property as Government property according to Part 13 of this title.

(3) Except as provided in subparagraph (4) of this paragraph, the contract of sale will provide for cash payments at prices that are fair and reasonable under the circumstances of the case.

(4) Sales of property to be repaid in kind will be made only when the property is needed by the contractor or subcontractor to maintain or expedite the production rate under a contract with the Government, or subcontract thereunder, and only when the contractor or subcontractor has made arrangements to obtain or produce identical articles which can be used to replace the property loaned.

(b) Each contract for the sale of Government property made pursuant to this authority will contain a statement of the facts and circumstances on which the action is based.

(c) This authority does not apply to the disposition of (1) Excess or surplus property, unless and until such property has been withdrawn from such excess or surplus category according to applicable regulations, or (2) property subject to priorities or allocation under the Defense Production Act, except where such transfer is authorized under the aforesaid Defense Production Act or applicable regulations or orders thereunder.

§ 1017.303 Procedures.

All proposals for the exercise of residual powers to make contracts for the sale of Government property will be sent through channels to AMC (MCPRP).

§ 1017.304 Maintenance of records.

Two copies of each Memorandum of Approval signed by any officer or official to whom authority has been delegated as stated in § 1017.301 will be forwarded promptly to the Air Force Contract Adjustment Board, Office of the Assistant Secretary of the Air Force (Materiel) through AMC (MCPRP).

Subpart D—Records of Requests and Dispositions

§ 1017.400 Scope of subpart.

See § 17.400 of this title.

§ 1017.401 Preliminary records.

See § 17.401 of this title.

§ 1017.402 Final records.

The final record will be prepared: (a) In cases where the contractor's request is denied, promptly after the letter of denial to the contractor is sent; (b) in cases where the contractor's request is approved in whole or in part, after the action authorized by the Memorandum of Decision has been taken; and (c) in cases where the contractor's request is withdrawn, promptly after the withdrawal.

§ 1017.403 Sample format for preliminary and final records.

The sample format set forth in § 17.403 of this title has been established as AFPI Form 48, "Record of Request for Adjustment, Public Law 85–804." AFPI Form 48 will be used by AF activities for the preparation and maintenance of prescribed records.

Subpart E—Act and Executive Order

§ 1017.500 Scope of subpart.

See § 17.500 of this title.

§ 1017.501 Act of August 28, 1958 (Public Law 85–804, 50 U.S.C. 1431–1435).

§ 1017.502 Executive Order No. 10789 of November 14, 1958 (23 F.R. 8897).

See § 17.502 of this title.

[SEAL] R. J. PUGH,
Colonel, U.S. Air Force, Deputy Director of Administrative Services.

[F.R. Doc. 60–6657; Filed, July 18, 1960; 8:45 a.m.]

Proposed Rule Making

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

[21 CFR Part 22]

FOOD FLAVORINGS; DEFINITIONS AND STANDARDS OF IDENTITY

Vanilla Extract and Related Products; Notice of Proposed Definitions and Standards of Identity

In the matter of establishing definitions and standards of identity for vanilla extract and related products:

Notice is given that two petitions proposing definitions and standards of identity for vanilla extract and related products have been filed. One petition was filed by McCormick and Company, Baltimore, Maryland, and the other by a group of flavor manufacturers, as follows:

American Food Laboratories, 1000 Stanley Avenue, Brooklyn 8, N.Y.
David Michael and Co., 3843 D Street, Philadelphia 24, Pa.
Food Materials Corp., 2521 West 48th Street, Chicago 32, Ill.
Fred Fear and Co., Foot of Joralemon Street, Brooklyn 2, N.Y.
S. H. Mahoney Extract Co., 2840 West 47th Street, Chicago 32, Ill.
Vanilla Laboratories, P.O. Box 207, Rochester, N.Y.
Virginia Dare Extract Co., 882 Third Avenue, Brooklyn 32, N.Y.

Each petition proposes that there be established definitions and standards of identity for vanilla extract, vanilla flavoring, vanilla powder, concentrated vanilla extract, concentrated vanilla flavoring, vanilla-vanillin extract, vanilla-vanillin flavoring, vanilla-vanillin powder, concentrated vanilla-vanillin extract, and concentrated vanilla-vanillin flavoring. One difference, among others, between the two petitions concerns the moisture content of vanilla beans used. One petition proposes and the other opposes having the standards require that the moisture content of the cured vanilla beans used be taken into account in prescribing the weight of vanilla beans required.

The standards proposed in the petition filed by McCormick and Company are as follows:

§ 22.1 Vanilla extract; identity; label statement of optional ingredients.

(a) Vanilla extract is the solution in aqueous ethyl alcohol of the sapid and odorous principles of cured vanilla beans of the varieties Vanilla planifolia Andrews or Vanilla tahitensis Moore, in the quantities specified in this section. Vanilla extract contains in 1 gallon substantially all the soluble matters extractable by a 35 percent solution of ethyl alcohol, from not less than that weight of beans which contains 10 ounces of vanilla bean solids as defined in paragraph (b) of this section, and contains not less than 35 percent by volume (60°–60° F.) of ethyl alcohol. Vanilla extract may contain one or more of the following optional ingredients:

(1) Glycerin.
(2) Propylene glycol.
(3) Sucrose.
(4) Dextrose.

(b) Vanilla bean solids are the entire moisture-free portion of cured vanilla beans calculated by subtracting from the total weight of beans the weight of water contained therein determined by the method described in paragraph (c) of this section.

(c) The determination of the moisture content of vanilla beans shall be by the method prescribed in Official Methods of Analysis of the Association of Official Agricultural Chemists, Eighth Edition, 1955, page 367 under "Moisture by Distillation with Toluene," except that:

(1) The sample used shall be taken by sampling methods in accord with good commercial practice to represent accurately the lot being sampled. A "lot" shall be a group of vanilla beans of reasonably uniform characteristics.

(2) The sample, during and after collection, shall be protected by a closed and moisture-impermeable container, against moisture loss or gain.

(3) The sample shall be chopped or comminuted to particles the average major dimensions of which are approximately ¼-inch. This chopping shall be done quickly and in such a manner as to minimize moisture loss or gain.

(4) A mixture of one volume of benzene and four volumes of toluene shall be used in place of the toluene only.

(5) The total distillation time shall be 4 hours.

(d) (1) The name specified for the food is vanilla extract. However, the name may include the appropriate fold number, provided that the fold number, as used, correctly states the multiple of 10 ounces of vanilla bean solids used in the preparation of each gallon of vanilla extract.

(2) When vanilla extract is made wholly or partially by dilution of concentrated vanilla extract, as defined in § 22.4, or concentrated vanilla flavoring, as defined in § 22.5, or vanilla oleoresin, the label shall bear the statement, "made wholly from concentrate" or "made partially from concentrate," whichever is applicable.

(3) Wherever the name "vanilla extract" appears on the label so conspicuously as to be easily seen under customary conditions of purchase, the applicable statement specified in subparagraph (2) of this paragraph shall immediately and conspicuously precede or follow such name, without intervening written, printed, or graphic matter.

§ 22.2 Vanilla flavoring; identity; label statement of optional ingredients.

Vanilla flavoring complies with the definition and standard of identity and labeling requirements as to optional ingredients for vanilla extract as defined in § 22.1, except that it contains less than 35 percent ethyl alcohol by volume.

§ 22.3 Vanilla powder, vanilla sugar; identity; label statement of optional ingredients.

(a) Vanilla powder is a mixture of ground vanilla beans or the sapid and odorous principles of vanilla beans, or both, in the quantities specified in this section, with one or more of the following ingredients:

(1) Sucrose.
(2) Dextrose.
(3) Lactose.
(4) Food starch.

It may contain a total of 2 percent or less by weight of one or more of the edible, anticaking agents specified in paragraph (b) of this section. Each 8 pounds of vanilla powder contains not less than that weight of beans which contains 10 ounces of vanilla bean solids, or the soluble matters extractable by a 35 percent solution of ethyl alcohol therefrom, or in part vanilla beans and for the remainder, the soluble matters from vanilla beans, provided that if the soluble matters from vanilla beans are used in place of some portion of vanilla bean solids, the soluble matters used must be the soluble matters from that weight of vanilla bean solids which such soluble matters replace.

(b) The edible anticaking agents referred to in paragraph (a) of this section are:

(1) Aluminum calcium silicate.
(2) Calcium silicate.
(3) Calcium stearate.
(4) Magnesium silicate.
(5) Tricalcium phosphate.
(6) Tricalcium silicate.

(c) The name of the product is vanilla powder, provided that, if it is made with the optional ingredients sucrose or dextrose, the name vanilla sugar may be used.

(d) Vanilla powder complies with the labeling requirements for optional ingredients for vanilla extract, except that the name may include the appropriate fold number, provided that the fold number, as used, correctly states the multiple of 10 ounces of vanilla bean solids used in the preparation of each 8 pounds of vanilla powder.

§ 22.4 Concentrated vanilla extract; identity; label statement of optional ingredients.

(a) Concentrated vanilla extract complies with the definition and standard of identity for vanilla extract, except that, in its production, there occurs reduction in volume by evaporation of vanilla extract or of vanilla flavoring. It contains

not less than 35 percent by volume (60°–60° F.) of ethyl alcohol.

(b) Wherever the name "concentrated vanilla extract" appears on the label so conspicuously as to be easily seen under customary conditions of purchase, the strength, as expressed by the applicable fold number defined in this paragraph, shall immediately and conspicuously precede or follow such name, without intervening written, printed, or graphic matter. The fold number, as used, shall correctly state the multiple of 10 ounces of vanilla bean solids used in the preparation of each gallon.

§ 22.5 Concentrated vanilla flavoring; identity; label statement of optional ingredients.

Concentrated vanilla flavoring complies with the definition and standard of identity and labeling requirements as to optional ingredients for concentrated vanilla extract, as defined in § 22.4, except that it contains less than 35 percent by volume of ethyl alcohol.

§ 22.6 Vanilla-vanillin extract; identity; label statement of optional ingredients.

(a) Vanilla-vanillin extract complies with the definition and standard of identity for vanilla extract, except that for each 10 ounces of vanilla bean solids it contains additionally not more than 1 ounce of added vanillin.

(b) Vanilla-vanillin extract complies with the labeling requirements as to optional ingredients for vanilla extract, except that:

(1) The label shall bear the statement "contains vanillin, an artificial flavoring" or "vanillin, an artificial flavoring, added."

(2) The name specified for the food is vanilla-vanillin extract. However, the name may include the appropriate fold number, provided that the fold number, as used, correctly states the sum of the multiple of 10 ounces of vanilla bean solids and the multiple of 1 ounce of added vanillin used in the preparation of each gallon of vanilla-vanillin extract.

§ 22.7 Vanilla-vanillin flavoring; identity; label statement of optional ingredients.

Vanilla-vanillin flavoring complies with the definition and standard of identity and labeling requirements as to optional ingredients for vanilla-vanillin extract, as defined in § 22.6, except that it contains less than 35 percent ethyl alcohol by volume.

§ 22.8 Vanilla-vanillin powder, vanilla-vanillin sugar; identity; label statement of optional ingredients.

(a) Vanilla-vanillin powder complies with the definition and standard of identity for vanilla powder, except that for each 10 ounces of vanilla bean solids used in its preparation it contains additionally not more than 1 ounce of added vanillin.

(b) Vanilla-vanillin powder complies with the labeling requirements as to optional ingredients for vanilla-vanillin extract, except that the name may include the appropriate fold number, provided that the fold number, as used, correctly states the sum of the multiple of 10 ounces of vanilla bean solids and the multiple of 1 ounce of added vanillin used in the preparation of each 8 pounds of vanilla-vanillin powder.

(c) The name of the product is vanilla-vanillin powder, provided that, if it is made with the optional ingredients sucrose or dextrose, the name vanilla-vanillin sugar may be used.

§ 22.9 Concentrated vanilla-vanillin extract; identity; label statement of optional ingredients.

(a) Concentrated vanilla-vanillin extract complies with the definition and standard of identify for vanilla-vanillin extract, except that in its production there occurs reduction in volume by evaporation of any one or more of the following:

(1) Vanilla extract.
(2) Vanilla-vanillin extract.
(3) Vanilla flavoring.
(4) Vanilla-vanillin flavoring.

Concentrated vanilla-vanillin extract contains not less than 35 percent by volume (60°–60° F.) of ethyl alcohol.

(b) Wherever the name "concentrated vanilla-vanillin extract" appears on the label so conspicuously as to be easily seen under customary conditions of purchase, the strength, as expressed by the applicable fold number defined in this paragraph, shall immediately and conspicuously precede or follow such name, without intervening written, printed, or graphic matter. The fold number, as used, shall correctly state the sum of the multiple of 10 ounces of vanilla bean solids and the multiple of 1 ounce of added vanillin used in the preparation of each gallon.

§ 22.10 Concentrated vanilla-vanillin flavoring; identity; label statement of optional ingredients.

Concentrated vanilla-vanillin flavoring complies with the definition and standard of identity and labeling requirements as to optional ingredients for concentrated vanilla-vanillin extract as defined in § 22.9, except that it contains less than 35 percent by volume of ethyl alcohol.

The standards proposed in the petition filed by American Food Laboratories, David Michael and Company, Food Materials Corporation, Fred Fear and Company, S. H. Mahoney Extract Company, Vanilla Laboratories, and Virginia Dare Extract Company are as follows:

§ 22.1 Vanilla extract; identity; label statement of optional ingredients.

(a) Vanilla extract is a solution in ethyl alcohol of the sapid and odorous principles of cured vanilla beans, containing in 1 U.S. gallon (128 fluid ounces) the soluble matters from not less than 13.35 ounces (avoirdupois) of vanilla bean. Vanilla extract contains not less than 35 percent by volume of ethyl alcohol.

(b) Vanilla bean is the dried and cured fruit of Vanilla planifolia Andrews or Vanilla tahitensis J. W. Moore.

(c) Vanilla extract may contain one or more of the following optional ingredients: Sucrose, dextrose, glycerin, propylene glycol.

(d) The name of the food is vanilla extract. To indicate strength, the name may be preceded or followed on the label by a fold number, which will designate the multiple of 13.35 ounces of vanilla bean used in the preparation of each gallon.

§ 22.2 Vanilla flavoring; identity; label statement of optional ingredients.

(a) Vanilla flavoring complies with the definition and standard of identity and labeling requirements for vanilla extract (as defined by § 22.1), except that it contains less than 35 percent ethyl alcohol by volume.

(b) The name of the food is vanilla flavoring.

§ 22.3 Vanilla powder; identity; label statement of optional ingredients.

(a) Vanilla powder is a mixture containing in each 133.5 ounces avoirdupois the soluble matters from not less than 13.35 ounces (avoirdupois) of vanilla bean or 13.35 ounces (avoirdupois) of ground vanilla bean, or a combination of both, with one or more of the following:

(1) Sucrose.
(2) Dextrose.
(3) Lactose.
(4) Food starch.

(b) Vanilla powder may contain a certain percentage, as specified, of one or more of the following optional anticaking ingredients:

(1) Aluminum calcium silicate, 2 percent.
(2) Calcium silicate, 2 percent.
(3) Magnesium silicate, 2 percent.
(4) Tricalcium phosphate, 3 percent.
(5) Tricalcium silicate, 2 percent.

(c) The name of the food is vanilla powder.

§ 22.4 Concentrated vanilla extract; identity; label statement of optional ingredients.

(a) Concentrated vanilla extract complies with the definition and standard of identity for vanilla extract (as defined by § 22.1), except that in the production of concentrated vanilla extract a reduction in volume by evaporation occurs.

(b) The name of the food is concentrated vanilla extract. To indicate strength, the name will be preceded or followed on the label with a fold number, which will designate the multiple of 13.35 ounces of vanilla bean used in the preparation of each gallon.

(c) Wherever the name "concentrated vanilla extract" appears on the label so conspicuously as to be easily seen under customary conditions of purchase, the strength, as expressed by the applicable fold number defined in paragraph (b) of this section, shall immediately and conspicuously precede or follow such name, without intervening written, printed, or graphic matter.

§ 22.5 Concentrated vanilla flavoring; identity; label statement of optional ingredients.

Concentrated vanilla flavoring complies with the definition and standard of identity and labeling requirements for concentrated vanilla extract (as defined in § 22.4), except that it contains less

than 35 percent by volume of ethyl alcohol.

§ 22.6 Vanilla-vanillin extract; identity; label statement of optional ingredients.

(a) Vanilla-vanillin extract complies with the definition and standard of identity for vanilla extract (as defined in § 22.1), except that each gallon of vanilla-vanillin extract contains not more than 1 ounce (avoirdupois) of vanillin.

(b) The name of the food is vanilla-vanillin extract. The label, however, shall also bear the statement "Contains vanillin, an artificial flavor."

§ 22.7 Vanilla-vanillin flavoring; identity; label statement of optional ingredients.

Vanilla-vanillin flavoring complies with the definition and standard of identity and labeling requirements for vanilla-vanillin extract (as defined in § 22.6) except that it contains less than 35 percent by volume of ethyl alcohol.

§ 22.8 Vanilla-vanillin powder; identity; label statement of optional ingredients.

(a) Vanilla-vanillin powder complies with the definition and standard of identity for vanilla powder (as defined in § 22.3), except that each 133.5 ounces avoirdupois of vanilla-vanillin powder contains not more than 1 ounce (avoirdupois) of vanillin.

(b) The name of the food is vanilla-vanillin powder. The label, however, shall also bear the statement "Contains vanillin, an artificial flavor." To indicate strength, the name may be preceded or followed on the label by a fold number, which will designate the multiple of 13.35 ounces of vanilla bean used in the preparation of each 133.5 ounces avoirdupois of the powder.

§ 22.9 Concentrated vanilla-vanillin extract; identity; label statement of optional ingredients.

(a) Concentrated vanilla-vanillin extract complies with the definition and standard of identity for vanilla-vanillin extract (as defined in § 22.6), except that in the production of concentrated vanilla-vanillin extract a reduction in volume by evaporation occurs.

(b) The name of the food is concentrated vanilla-vanillin extract. The label, however, shall also bear the statement "Contains vanillin, an artificial flavor." To indicate strength, the name will be preceded or followed by a fold number, which will designate the multiple of 13.35 ounces of vanilla bean used in the preparation of each gallon.

§ 22.10 Concentrated vanilla-vanillin flavoring; identity; label statement of optional ingredients.

Concentrated vanilla-vanillin flavoring complies with the definition and standard of identity and labeling requirements for concentrated vanilla-vanillin extract (as defined in § 22.9), except that it contains less than 35 percent by volume of ethyl alcohol.

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (secs. 401, 701, 52 Stat. 1046, 1055, as amended 70 Stat. 919, 72 Stat. 948; 21 U.S.C. 341, 371) and in accordance with the authority delegated to the Commissioner of Food and Drugs by the Secretary of Health, Education, and Welfare (22 F.R. 1045, 23 F.R. 9500, 25 F.R. 5611), all interested persons are hereby invited to present their views in writing regarding the proposals published in this notice. Such views and comments should be submitted in quintuplicate, addressed to the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington 25, D.C., prior to the thirtieth day following the date of publication of this notice in the FEDERAL REGISTER.

Dated: July 11, 1960.

[SEAL] J. K. KIRK,
Assistant to the Commissioner of Food and Drugs.

[F.R. Doc. 60-6621; Filed, July 18, 1960; 8:45 a.m.]

FEDERAL AVIATION AGENCY

[14 CFR Part 602]

[Airspace Docket No. 60-WA-181]

CODED JET ROUTES

Modification

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to § 602.137 of the regulations of the Administrator, the substance of which is stated below.

L/MF Jet Route No. 37 extends in part from the Biloxi, Miss., (Keesler Air Force Base) radio range to the Atlanta, Ga., radio range via Montgomery, Ala., (Maxwell AFB) radio range. The Federal Aviation Agency has under consideration modification of this jet route by realigning it from Biloxi to Atlanta via the Mt. Meigs, Ala., radio beacon, in lieu of the Maxwell AFB radio range. This would provide a more direct route between Biloxi and Atlanta, thereby facilitating air traffic management and flight planning.

If this action is taken, the segment of L/MF Jet Route No. 37 between Biloxi, Miss., and Atlanta, Ga., would be redesignated from the Biloxi (Keesler Air Force Base) radio range via the Mt. Meigs, Ala., radio beacon to the Atlanta radio range.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. All communications received within forty-five days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Chief, Airspace Utilization Division. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

Issued in Washington, D.C., on July 13, 1960.

CHARLES W. CARMODY,
Chief, Airspace Utilization Division.

[F.R. Doc. 60-6665; Filed, July 18, 1960; 8:46 a.m.]

[14 CFR Part 602]

[Airspace Docket No. 60-WA-183]

CODED JET ROUTES

Revocation of Segment

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to § 602.557 of the regulations of the Administrator, the substance of which is stated below.

VOR/VORTAC Jet Route No. 57 extends in part from Charleston, W. Va., to Appleton, Ohio. The Federal Aviation Agency has under consideration revocation of this segment of Jet Route No. 57-V. The Federal Aviation Agency IFR peakday airway traffic survey for the period from July 1, 1959, through June 30, 1960, shows four aircraft movements on this segment of Jet Route No. 57-V. On the basis of the survey, it appears that the retention of this segment of coded jet route is unjustified and that the revocation thereof would be in the public interest.

If this action is taken, the segment of VOR/VORTAC Jet Route No. 57 from Charleston, W. Va., to Appleton, Ohio, would be revoked.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. All communications received within thirty days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but ar-

rangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Chief, Airspace Utilization Division. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

Issued in Washington, D.C., on July 13, 1960.

CHARLES W. CARMODY,
Chief, Airspace Utilization Division.

[F.R. Doc. 60-6666; Filed, July 18, 1960; 8:46 a.m.]

Notices

DEPARTMENT OF STATE

[Public Notice 170; Delegation of Authority 99]

ASSISTANT SECRETARIES OF STATE FOR ECONOMIC AFFAIRS AND FOR INTER-AMERICAN AFFAIRS

Delegation of Authority Relating to Proclamation No. 3355

Pursuant to the authority vested in me by Section 4 of the Act of May 26, 1949, as amended (5 U.S.C. 151c), I hereby delegate to the Assistant Secretary of State for Economic Affairs or the Assistant Secretary of State for Inter-American Affairs the authority to perform all of the functions which the Secretary of State is authorized to perform pursuant to and under the authority of Proclamation No. 3355 (25 F.R. 6414), issued by the President on July 6, 1960.

Dated: July 13, 1960.

CHRISTIAN A. HERTER,
Secretary of State.

[F.R. Doc. 60-6702; Filed, July 18, 1960; 8:49 a.m.]

DEPARTMENT OF AGRICULTURE

Commodity Stabilization Service and Commodity Credit Corporation

CERTAIN COMMODITY CREDIT CORPORATION ACTIVITIES

Delegations of Authority

Correction

In F.R. Document 60-6549 appearing in the issue for Thursday, July 14, 1960, at page 6657, the signature should read as follows: "Forest W. Beall, *Acting Vice President, Commodity Credit Corporation.*"

DEPARTMENT OF COMMERCE

Bureau of Foreign Commerce

INGENIORSFIRMAN ELMETRIK AB

Order Amending Temporary Denial Order and Denying Export Privileges for an Indefinite Period

In the matter of Sven O. Hakanson, trading as Ingeniorsfirman Elmetrik AB Sovdeborgagatan 31, Malmo and Fact 33, Alingsas, Sweden, Respondent, Files 23-679, 23-709, 23-607.

On December 31, 1959, an order was issued against Sven O. Hakanson, trading as Elmetrik, and others, temporarily denying export privileges to them pending final disposition of the administrative proceeding to be instituted against them (25 F.R. 205, January 9, 1960). The named respondent applied to have said order vacated, at the same time offering to submit additional information if requested. Acting on that offer and, for the purpose of continuing the then pending investigation, the Director, Investigation Staff, Bureau of Foreign Commerce, caused to be served on Sven O. Hakanson and his company, Ingeniorsfirman Elmetrik AB, interrogatories pursuant to § 382.15 of the Export Regulations (15 CFR, Chapter III, Subchapter B) concerning the ultimate disposition of certain goods exported from the United States. The said respondents have failed to answer said interrogatories and have given no explanation for their failure to do so and, by such failure, have impaired and impeded the said investigation by the Bureau of Foreign Commerce.

Having concluded that this order is reasonable and necessary to protect the public interest and to achieve effective enforcement of the Export Control Act of 1949, as amended: *It is hereby ordered:*

I. Sven O. Hakanson's application of January 16, 1960, to vacate said order of December 31, 1959, shall be and hereby is denied.

II. Paragraph 3 of said order of December 31, 1959, be and the same hereby is modified, amended, and extended so that all export privileges denied to Sven O. Hakanson, individually and trading as Elmetrik, by paragraphs 1, 2 and 4 thereof, shall henceforth be and continue in full force and effect as to him, Ingeniorsfirman Elmetrik AB, all persons related to them within the scope of paragraph 2 thereof, and all persons acting for their benefit as provided in paragraph 4 thereof, until they shall answer satisfactorily, or furnish written information in response to, the interrogatories heretofore served on them, or give adequate reason for their failure and refusal to respond, except as this order and said order hereafter may be further amended or modified.

III. In all other respects said order of December 31, 1959, shall be and remain in full force and effect.

IV. In accordance with § 382.11(c) of the Export Regulations, the respondents, at any time hereafter, may move to vacate or modify this indefinite denial order by filing an appropriate application therefor, supported by evidence, with the Compliance Commissioner, and they may request oral hearing thereon, which, if requested, will be held before the Compliance Commissioner at Washington, D.C., at the earliest convenient date.

Dated: July 14, 1960.

JOHN C. BORTON,
Director,
Office of Export Supply.

[F.R. Doc. 60-6706; Filed, July 18, 1960; 8:49 a.m.]

Federal Maritime Board

[Docket No. 911]

ATLANTIC AND GULF AMERICAN-FLAG BERTH OPERATORS AGREEMENT

Notice of Investigation and of Hearing

On June 20, 1960, the Federal Maritime Board entered the following order:

It appearing that the common carriers by water named below are parties to FMB Agreement No. 8086 which was approved by the Board June 30, 1956:

Alcoa Steamship Company, Inc.
American Export Lines, Inc.
American President Lines, Ltd.
American Union Transport, Inc.
Central Gulf Steamship Corp.
Farrell Lines Inc.
Grace Line Inc.
Isbrandtsen Company, Inc.
Isthmian Lines, Inc.
Levant Line—joint service of Stockard Steamship Corporation, Atlantic Ocean Transport Corporation, Mediterranean Transport Corporation.
Lykes Bros. Steamship Co., Inc.
Moore-McCormack Lines, Inc.
Prudential Steamship Corp.
States Marine Lines—joint service of States Marine Corp., States Marine Corp. of Delaware.
Stevenson Lines (T. J. Stevenson & Co., Inc.).
United States Lines Co.
Waterman Steamship Corp.
Bloomfield Steamship Co.; and

It further appearing that said Agreement No. 8086 provides that the parties may consult with each other with respect to pertinent costs and other matters in the arrangement, from time to time, of rates and conditions for the carriage of cargoes for the Military Sea Transportation Service (MSTS) and related Shipper Services, and may appoint and supervise a secretary who will have the function of coordinating information as to transportation costs, space availability, sailing schedules and related matters and of also assisting in the arrangement of such rates and conditions;

It further appearing that the parties to said Agreement No. 8086 may be acting jointly to accept or reject contracts tendered them by MSTS and may be taking other joint actions such as the establishment of rates for the use of private commercial companies who have contracts with the MSTS or related Shipper Services, none of which actions appear to be within the scope of said agreement;

Now therefore, it is ordered, That, pursuant to section 22 of the Shipping Act, 1916, as amended (46 U.S.C. 821), an investigation is hereby instituted, on the Board's own motion, to determine whether Agreement No. 8086 as filed with and approved by the Board is the true and complete agreement of the parties thereto; and

It is further ordered, That all common carriers by water named above are hereby made respondents in this proceeding, which is to be set for hearing before an examiner from the Office of Hearing Examiners at a time and place to be announced and;

It is further ordered, That a copy of this order be served on each of the respondents and published in the FEDERAL REGISTER.

Pursuant to the above order, notice is hereby given that the hearing herein ordered will be held before an examiner of the Board's Office of Hearing Examiners at a date and place to be determined and announced by the Chief Examiner. The hearing will be conducted in accordance with the Board's rules of practice and procedure, and a recommended decision will be issued by the examiner.

All persons (including individuals, corporations, associations, firms, partnerships, and public bodies), having an interest in this proceeding and desiring to intervene therein, should notify the Secretary of the Board promptly and file petitions for leave to intervene in accordance with Rule 5(n) (46 CFR 201.74) of said rules.

Dated: July 14, 1960.

By order of the Federal Maritime Board.

JAMES L. PIMPER,
Secretary.

[F.R. Doc. 60-6711; Filed, July 18, 1960; 8:50 a.m.]

[Docket No. 912]

MATSON NAVIGATION CO.; INVESTIGATION OF CONTAINER FREIGHT TARIFFS

Notice of Investigation and of Hearing

On July 7, 1960, the Federal Maritime Board entered the following order:

It appearing that there have been filed with the Federal Maritime Board tariff schedules setting forth new rates and charges, and new rules, regulations and practices affecting such rates and charges between U.S. Pacific Coast ports on the one hand and Honolulu, Hawaii on the other to become effective June 30, 1960, designated as follows:

Matson Navigation Company, Westbound Container Freight Tariff No. 14, F.M.B.-F. No. 109; and

Matson Navigation Company, Eastbound Container Freight Tariff No. 15, F.M.B.-F. No. 110, and

Special Supplement No. 4, directing the cancellation of all currently effective container freight tariffs to become effective concurrently with the effective date of the new tariffs; and

It further appearing, that Westbound Container Freight Tariff No. 14, F.M.B.-F. No. 109 names single-factor rates including pick-up in commercial zones of certain California cities as well as line-haul water transportation, and that such rates may therefore be unjust or unreasonable and in violation of the Shipping Act, 1916, as amended, and/or the Intercoastal Shipping Act, 1933, as amended; and

It further appearing that Westbound Container Freight Tariff No. 14, F.M.B.-F. No. 109, and Eastbound Container Freight Tariff No. 15, F.M.B.-F. No. 110, contain rates, charges, rules, regulations and practices which may be otherwise unjust, unreasonable, preferential or discriminatory, and in violation of the Shipping Act, 1916, as amended, and/or the Intercoastal Shipping Act, 1933, as amended; and

It further appearing that Matson Navigation Company has agreed (1) to keep account of all freight monies received by reason of rate increases contained in such schedules commencing with the effective date of such filings and terminating on the effective date of the Board's order finally determining the reasonableness and lawfulness of the rates, charges, regulations and practices stated in said schedules; and (2) to refund to the person who paid the freight, upon proper authorization by the Board, any freight charges collected by reason of such increases during the said period which may be in excess of those determined by the Board to be just and reasonable;

Now therefore, it is ordered, That an investigation be, and it is hereby, instituted into and concerning the lawfulness of the rates, charges, rules and regulations contained in said schedules, under the Shipping Act, 1916, as amended, and the Intercoastal Shipping Act, 1933, as amended, with a view to making such findings and order in the premises as the facts and circumstances shall warrant; and

It is further ordered, That Matson Navigation Company (1) shall keep an account of all freight monies received by reason of rate increases contained in such schedules commencing with the effective date of such filings, and terminating with the effective date of the Board's order finally determining the reasonableness and lawfulness of the rates, charges, regulations and practices set forth in said schedules; (2) that such carrier, upon final determination by the Board, shall refund to the person who paid the freight any freight charges collected by reason of such increases during the said period, which may be in excess of those determined by the Board to be just and reasonable and otherwise lawful; and

It is further ordered, That no change shall be made in the rates or other matters which result in increased rates or charges named in said tariff schedules, until this investigation has been terminated by final order of the Board, unless otherwise authorized by special permission of the Board; and

It is further ordered, That copies of this order shall be filed with said tariff schedules in the Office of Regulations of the Federal Maritime Board; and

It is further ordered, That the investigation herein ordered be assigned for hearing before an examiner of the Board's Office of Hearing Examiners at a date and place to be determined and announced by the Chief Examiner; that Matson Navigation Company be made respondent in this proceeding; that a copy of this order shall be forthwith served upon respondent and protestants herein; that respondent and protestants be duly notified of the time and place of the hearing herein ordered; and that this order be published in the FEDERAL REGISTER.

Pursuant to the above order, notice is hereby given that the hearing herein ordered will be held before an examiner of the Board's Hearing Examiners' Office at a date and place to be determined and announced by the Chief Examiner. The hearing will be conducted in accordance with the Board's rules of practice and procedure, and an initial decision will be issued by the examiner.

All persons (including individuals, corporations, associations, firms, partnerships, and public bodies), having an interest in this proceeding and desiring to intervene therein, should notify the Secretary of the Board promptly and file petitions for leave to intervene in accordance with Rule 5(n) (46 CFR 201.74) of said rules.

Dated: July 14, 1960.

By order of the Federal Maritime Board.

JAMES L. PIMPER,
Secretary.

[F.R. Doc. 60-6712; Filed, July 18, 1960; 8:50 a.m.]

PACIFIC FORWARDERS AND CALIFORNIA AND JUDSON SHELDON INTERNATIONAL CORP.

Notice of Agreement Filed With the Board for Approval

Notice is hereby given that the following described agreement has been filed with the Board for approval pursuant to section 15 of the Shipping Act 1916 (39 Stat. 735, 46 U.S.C. 814):

Agreement No. 8376, between L. F. Burke, d/b/a Pacific Forwarders, San Francisco, California, and Judson Sheldon International Corporation, New York, N.Y., is a cooperative working arrangement between the two registered freight forwarders under which the latter will perform freight forwarding services for the other at specified fees. These services are to be in connection with cargo moving through New York, as well as through the company's branch offices in Philadelphia, New Orleans, and Houston. In addition to the service fees, the New York forwarder is to be compensated by receiving ⅓ of the ocean freight brokerage.

Interested parties may inspect this agreement and obtain copies thereof at the Office of Regulations, Federal Maritime Board, Washington, D.C., and may submit, within 20 days after publication of this notice in the FEDERAL REGISTER, written statements with reference to the agreement, and their approval, disap-

proval, or modification, together with request for hearing should such hearing be desired.

Dated: July 14, 1960.

By order of the Federal Maritime Board.

JAMES L. PIMPER,
Secretary.

[F.R. Doc. 60-6709; Filed, July 18, 1960; 8:49 a.m.]

[Docket No. 910]

UNAPPROVED SECTION 15 AGREEMENTS; CARRIAGE OF CARGO FOR MILITARY SEA TRANSPORTATION SERVICE (MSTS)

Notice of Investigation and of Hearing

On June 20, 1960, the Federal Maritime Board entered the following order:

It appearing that during the period from early 1950 to June 30, 1956, the following common carriers by water may have entered into agreements, understandings or arrangements to control, prevent, or destroy competition for the carriage of Military Sea Transportation Service (MSTS) cargo, or to fix or regulate transportation rates for the carriage of such cargo or to take other action within the purview of section 15 of the Shipping Act, 1916, as amended (46 U.S.C. 814) in the trades between United States Atlantic and Gulf ports on the one hand and various overseas destinations (in foreign countries and in United States territories and possessions) on the other hand:

American Export Lines, Inc.
American President Lines, Ltd.
Farrell Lines Inc.
Isbrandtsen Company, Inc.
Isthmian Lines, Inc.
Levant Line—Joint Service of Atlantic Ocean Transport Corp., Stockard Steamship Corp.
Lykes Bros. Steamship Co., Inc.
Moore-McCormack Lines, Inc.
Prudential Steamship Corp.
States Marine Lines—Joint Service of States Marine Corporation, States Marine Corporation of Delaware.
Stevenson Lines—T. J. Stevenson & Co., Inc.
United States Lines Co.
United States Navigation Co., Inc.
Waterman Steamship Corp.
Bloomfield Steamship Co.

It further appearing that during the period from early 1950 to November 26, 1956, the following common carriers by water may have entered into agreements, understandings, or arrangements to control, prevent or destroy competition for the carriage of Military Sea Transportation Service (MSTS) cargo, or to fix or regulate transportation rates for the carriage of such cargo or to take other action within the purview of said section 15, in the trades between United States Pacific Coast ports on the one hand and various overseas destinations (in foreign countries and in United States territories and possessions) on the other hand:

American Mail Line, Ltd.
American President Lines, Ltd.
Isthmian Lines, Inc.
Pacific Far East Line, Inc.
Pacific Transport Lines, Inc.
States Steamship Co.
States Marine Lines—Joint Service of States Marine Corp., States Marine Corp., of Delaware.
Waterman Steamship Corp.

It further appearing that the aforesaid purported agreements, understandings or arrangements were not filed with the Federal Maritime Board for approval under said section 15, nor approved thereunder, and may have been carried out;

Now therefore, it is ordered, That pursuant to section 22 of the Shipping Act, 1916, as amended (46 U.S.C. 821), an investigation is hereby instituted, on the Board's own motion, to determine whether any such agreements, understandings or arrangements have been entered into and carried out prior to approval in violation of section 15 of the Shipping Act, 1916 (46 U.S.C. 814); and

It is further ordered, That all common carriers by water named above are hereby made respondents in this proceeding, which is to be set for hearing before an examiner from the Office of Hearing Examiners, at a time and place to be announced; and

It is further ordered, That a copy of this order be served on each of the respondents and published in the FEDERAL REGISTER.

Pursuant to the above order, notice is hereby given that the hearing herein ordered will be held before an examiner of the Board's Office of Hearing Examiners at a date and place to be determined and announced by the Chief Examiner. The hearing will be conducted in accordance with the Board's Rules of Practice and Procedure, and a recommended decision will be issued by the examiner.

All persons (including individuals, corporations, associations, firms, partnerships, and public bodies), having an interest in this proceeding and desiring to intervene therein, should notify the Secretary of the Board promptly and file petitions for leave to intervene in accordance with Rule 5(n) (46 CFR 201.74) of said rules.

Dated: July 14, 1960.

By order of the Federal Maritime Board.

JAMES L. PIMPER,
Secretary.

[F.R. Doc. 60-6710; Filed, July 18, 1960; 8:50 a.m.]

Office of the Secretary

RAYMOND E. HEBERT

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b)(6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER during the last six months.

A. Deletions: No change.
B. Additions: No change.

This statement is made as of July 11, 1960.

RAYMOND E. HEBERT.

JULY 11, 1960.

[F.R. Doc. 60-6708; Filed, July 18, 1960; 8:49 a.m.]

BERT S. TAYLOR

Report of Appointment and Statement of Financial Interests

Report of appointment and statement of financial interests required by section 710(b)(6) of the Defense Production Act of 1950, as amended.

Report of Appointment

1. Name of appointee: Bert S. Taylor.
2. Employing agency: Department of Commerce, Business and Defense Services Administration.
3. Date of appointment: July 5, 1960.
4. Title of position: Assistant Director for Mobilization Planning, Chemical and Rubber Division.
5. Name of private employer: Food Machinery & Chemical Corp., Chemicals & Plastics Division, New York, N.Y.

CARLTON HAYWARD,
Director of Personnel.

JUNE 29, 1960.

Statement of Financial Interests

6. Names of any corporations of which the appointee is an officer or director or within 60 days preceding appointment has been an officer or director, or in which the appointee owns or within 60 days preceding appointment has owned any stocks, bonds, or other financial interests; any partnerships in which the appointee is, or within 60 days preceding appointment was, a partner; and any other businesses in which the appointee owns, or within 60 days preceding appointment has owned, any similar interest.

Food Machinery and Chemical Corp.
Bank deposits.

BERT S. TAYLOR.

JULY 9, 1960.

[F.R. Doc. 60-6707; Filed, July 18, 1960; 8:49 a.m.]

DEPARTMENT OF LABOR

Office of the Secretary

[General Order 56 (Revised), Amdt. 3]

CHIEF, BRANCH OF MANPOWER AND EMPLOYMENT SERVICE

Assignment of Functions

Assignment of functions under Title V of the Agricultural Act of 1949, as amended, and the Migrant Labor Agreement of 1951, as amended.

Paragraph 1(a) of General Order 56 (Revised November 30, 1955) (20 F.R. 8972) is hereby amended to read as follows:

(a) Rendering final determinations pursuant to paragraphs (b), (c)(4), (c)(5) and (c)(6) of Article 7 and paragraphs (a)(6), (a)(8) and (a)(9) of

Article 30 of the Migrant Labor Agreement of 1951, as amended, which function shall be performed by the Chief, Branch of Manpower and Employment Service, Division of Manpower and Employment Security, Office of the Solicitor, or, when he is absent or otherwise unable to perform this function, by whomever the Solicitor of Labor may designate; and

JAMES P. MITCHELL,
Secretary of Labor.

JULY 1, 1960.

[F.R. Doc. 60-6685; Filed, July 18, 1960; 8:47 a.m.]

ATOMIC ENERGY COMMISSION

[Docket No. 50-159]

TEXAS TECHNOLOGICAL COLLEGE

Notice of Proposed Issuance of Construction Permit

Please take notice that, unless within fifteen days after the filing of this notice with the Office of the Federal Register a request for a formal hearing is filed with the United States Atomic Energy Commission by the applicant or an intervener as provided by the Commission's rules of practice (Title 10, Chapter I, Part 2), the Commission proposes to issue to Texas Technological College, Lubbock, Texas, a construction permit substantially as set forth below authorizing construction on the College's campus of a 10 kilowatt (thermal) pool-type nuclear reactor. Petitions for leave to intervene shall be filed by mailing a copy to the Office of the Secretary, Atomic Energy Commission, Washington, 25, D.C., or by delivery of a copy in person to the Office of the Secretary, Germantown, Maryland, or the AEC's Public Document Room, 1717 H Street NW., Washington, D.C.

For further details see (1) the application submitted by Texas Technological College, and (2) a hazards analysis prepared by the Hazards Evaluation Branch of the Division of Licensing and Regulation, both on file at the AEC's Public Document Room. A copy of item (2) above may be obtained at the AEC's Public Document Room or upon request addressed to the Atomic Energy Commission, Washington 25, D.C., Attention: Director, Division of Licensing and Regulation.

Dated at Germantown, Md., this 12th day of July 1960.

For the Atomic Energy Commission.

H. L. PRICE,
Director, Division of Licensing and Regulation.

PROPOSED CONSTRUCTION PERMIT

1. By application dated January 27, 1960, (hereinafter referred to as "the application") Texas Technological College requested a Class 104 license, defined in § 50.21 of Part 50, "Licensing of Production and Utilization Facilities", Title 10, Chapter I, CFR, authorizing construction and operation on the campus of the College in Lubbock, Texas, of a ten kilowatt pool-type, nuclear reactor (hereinafter referred to as "the facility").

2. The Atomic Energy Commission (hereinafter referred to as "the Commission") finds that:

A. The facility will be a utilization facility as defined in the Commission's regulations contained in Title 10, Chapter I, CFR, Part 50, "Licensing of Production and Utilization Facilities".

B. The facility will be used in the conduct of research and development activities of the types specified in section 31 of the Atomic Energy Act of 1954, as amended, (hereinafter referred to as "the Act").

C. Texas Technological College is financially qualified to construct and operate the facility in accordance with the regulations contained in Title 10, Chapter I, CFR.

D. Texas Technological College and its contractor, Convair Division of General Dynamics Corporation, are technically qualified to design and construct the facility.

E. Texas Technological College has submitted sufficient information to provide reasonable assurance that the facility can be constructed and operated at the proposed location without undue risk to the health and safety of the public, and that omitted information necessary to complete the application will be supplied; and

F. The issuance of a construction permit to Texas Technological College will not be inimical to the common defense and security or to the health and safety of the public.

3. Pursuant to the Act and Title 10, CFR, Chapter 1, Part 50, "Licensing of Production and Utilization Facilities", the Commission hereby issues a construction permit to Texas Technological College to construct the facility in accordance with the application. This permit shall be deemed to contain and be subject to the conditions specified in §§ 50.54 and 50.55 of said regulations; is subject to all applicable provisions of the Act and rules, regulations and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified below:

A. The earliest completion date of the facility is December 1, 1962.

The latest completion date of the facility is December 31, 1964.

The term "completion date" as used herein, means the date on which construction of the facility is completed except for the introduction of the fuel material.

B. The facility shall be constructed and located on the Texas Technological College campus in Lubbock, Texas, as specified in the application.

4. A license authorizing operation of the facility will not be issued by the Commission unless Texas Technological College has submitted to the Commission (by amendment to the application) additional data required to complete the hazards evaluation, and the Commission has found that the final design provides reasonable assurance that the health and safety of the public will not be endangered by operation of the facility in accordance with the specified procedures.

5. Upon completion (as defined in paragraph 3.A. above) of the construction of the facility in accordance with the terms and conditions of this permit, upon the filing of the additional information needed to bring the original application up-to-date, and upon finding that the facility authorized has been constructed and will operate in conformity with the application, as amended, and in conformity with the provisions of the Act and of the rules and regulations of the Commission, and in the absence of any good cause being shown to the Commission why the granting of a license would not be in accordance with the provisions of the Act, the Commission will issue a Class 104 license to Texas Technological College pursuant to section 104c of the Act, which license shall expire twenty-five (25) years after the date of this construction permit.

Date of issuance:

For the Atomic Energy Commission.

[F.R. Doc. 60-6656; Filed, July 18, 1960; 8:45 a.m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket No. 13527; FCC 60M-1209]

BABYLON-BAY SHORE BROADCASTING CORP. (WBAB)

Order Continuing Hearing

In re application of Babylon-Bay Shore Broadcasting Corp. (WBAB), Babylon, New York, Docket No. 13527, File No. BP-12538; for construction permit.

It is ordered, This 12th day of July 1960, due to the illness of the presiding Hearing Examiner, that hearing in the above-entitled proceeding, scheduled to commence on July 22, 1960, is hereby continued without date.

Released: July 13, 1960.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Acting Secretary.

[F.R. Doc. 60-6717; Filed, July 18, 1960; 8:51 a.m.]

[Docket No. 13536; FCC 60M-1210]

PHILIP D. BOOTHROYD

Order Continuing Hearing

In the matter of Philip D. Boothroyd, Rd. No. 1, Box 142G, Sparta, New Jersey, Docket No. 13536; application for renewal of radiotelephone first class Operator License No. P1-2-7801.

It is ordered, This 12th day of July 1960, due to the illness of the presiding Hearing Examiner, that hearing in the above-entitled proceeding, scheduled for July 29, 1960, is hereby continued without date.

It is further ordered, That the petition of the Chief of the Field Engineering and Monitoring Bureau for continuance of hearing, filed June 27, 1960, is dismissed as moot.

Released: July 13, 1960.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Acting Secretary.

[F.R. Doc. 60-6718; Filed, July 18, 1960; 8:51 a.m.]

[Docket Nos. 13540-13546; FCC 60M-1211]

MACON BROADCASTING CO. (WNEX) ET AL.

Order Continuing Hearing Conference

In re applications of Macon Broadcasting Company (WNEX), Macon,

Georgia, Docket No. 13540, File No. BP-12261; Johnston Broadcasting Company (WJLD), (George Johnston, Jr., and Rose Hood Johnston, Partners), Homewood, Alabama, Docket No. 13541, File No. BP-12559; E. H. Eiland, Jr., Union Springs, Alabama, Docket No. 13542, File No. BP-12776; Yetta G. Samford, C. S. Shealy and Aileen M. Samford, Executrix of the Estate of Thomas D. Samford, Jr., Deceased, Miles H. Ferguson and John E. Smollon, d/b as Opelika-Auburn Broadcasting Company (WJHO), Opelika, Alabama, Docket No. 13543, File No. BP-12911; John F. Pidcock and Roy F. Zess, d/b as Radio Station WMGA (WMGA), Moultrie, Georgia, Docket No. 13544, File No. BP-12998; Newnan Broadcasting Company (WCOH), Newnan, Georgia, Docket No. 13545, File No. BP-13133; Elberton Broadcasting Company (WSGC), Elberton, Georgia, Docket No. 13546, File No. BP-13405; for construction permits.

It is ordered, This 12th day of July 1960, due to the illness of the presiding Hearing Examiner, that the prehearing conference, scheduled for July 22, 1960, is hereby continued without date.

Released: July 13, 1960.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Acting Secretary.

[F.R. Doc. 60-6719; Filed, July 18, 1960; 8:51 a.m.]

[Docket Nos. 13599, 13600; FCC 60M-1214]

A. S. RIVIERE AND RADIO GEORGIA

Order for Prehearing Conference

In re applications of A. S. Riviere, Barnesville, Georgia, Docket No. 13599, File No. BP-12889; John P. Frew, Elizabeth H. Frew, Stephens B. McGarity and Leslie E. Gradick, Jr., d/b as Radio Georgia, Thomaston, Georgia, Docket No. 13600, File No. BP-13051; for construction permits.

A prehearing conference in the above-entitled proceeding will be held on Tuesday, July 26, 1960, beginning at 10:00 a.m. in the offices of the Commission, Washington, D.C. This conference is called pursuant to the provisions of § 1.111 of the Commission's rules and the matters to be considered are those specified in that section of the rules.

It is so ordered, This the 12th day of July 1960.

Released: July 13, 1960.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Acting Secretary.

[F.R. Doc. 60-6720; Filed, July 18, 1960; 8:51 a.m.]

[Docket No. 13595; FCC 60 M-1213]

PACIFIC BROADCASTERS CORP.

Order Setting Prehearing Conference

In re application of Pacific Broadcasters Corporation, Bakersfield, California, Docket No. 13595, File No. BMPCT-5448; for extension of time to complete construction of Television Station KBFL.

It is ordered, This 12th day of July 1960, that all parties, or their counsel, in the above-entitled proceeding are directed to appear for a prehearing conference pursuant to the provisions of § 1.111 of the Commission's rules, at the offices of the Commission in Washington, D.C., at 9 a.m., July 27, 1960.

Released: July 13, 1960.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Acting Secretary.

[F.R. Doc. 60-6721; Filed, July 18, 1960; 8:51 a.m.]

[Docket No. 13591; FCC 60M-1212]

STORER BROADCASTING CO. (WWVA-FM)

Order Continuing Hearing Conference

In re application of Storer Broadcasting Company (WWVA-FM), Wheeling, West Virginia, Docket No. 13591, File No. BPH-2956; for construction permit.

It is ordered, This 12th day of July 1960, due to the illness of the presiding Hearing Examiner, that the prehearing conference, scheduled for July 21, 1960, is hereby continued without date.

Released: July 13, 1960.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Acting Secretary.

[F.R. Doc. 60-6722; Filed, July 18, 1960; 8:51 a.m.]

FEDERAL POWER COMMISSION

[Docket No. G-9065 etc.]

HUNT OIL CO. ET AL.

Order Redesignating Proceeding, Requiring Filing of Undertaking and Further Consolidating Proceedings[1]

JULY 13, 1960.

Hunt Oil Company, Docket Nos. G-9065, G-9568, G-11124, G-11360, G-13157, G-13191, G-13468, G-13504, G-13530, G-14082, G-14408, G-16422, G-16479, G-16639, G-18464, G-18555, G-18668, G-19755, G-19869, G-20531, RI60-202; Hunt Oil Company, Docket No. G-10414; Hunt Oil Company (Operator), et al., Docket Nos. G-16644, G-16937, G-19756, G-20532; Hunt Oil Company and H. L. Hunt, Docket No. G-18092; Hunt Oil Company, Docket No. G-20009.

On January 4, 1960, Hunt Oil Company (Hunt Oil) filed a "Notice of Succession and Adoption of H. L. Hunt's FPC Gas Rate Schedule No. 1"[2] stating therein that Hunt Oil, by assignment dated November 12, 1959, had acquired the interest of H. L. Hunt, and certain others not material to this order, effective as of December 1, 1959. By order issued September 9, 1959, Supplement No. 11 of said rate schedule was made effective as of August 23, 1959, subject to possible refunds as such may be determined in the proceedings in Docket No. G-18092.

H. L. Hunt's FPC Gas Rate Schedule No. 1 has been redesignated as Hunt Oil's FPC Gas Rate Schedule No. 52. It would appear that the proceeding in Docket No. G-18092 should be redesignated so as to make both assignor and assignee parties to the proceeding and to require a joint undertaking to be filed making H. L. Hunt, in this proceeding, primarily responsible for any refunds found necessary for the period between August 23, 1959, and November 30, 1959, and Hunt Oil, for the period beginning December 1, 1959. It would also appear appropriate that this proceeding should be consolidated with those previously consolidated with the proceedings in Docket No. G-9065, et al.

On October 5, 1959, Hunt Oil tendered Supplement Nos. 4, 5 and 6 to its FPC Gas Rate Schedule No. 36. Said supplements, by order issued November 4, 1959, in Docket No. G-20009, were suspended until November 6, 1959, and thereafter until such further time as they are made effective in the manner prescribed in said order and under the conditions therein stated. Since Hunt Oil has not complied with the conditions set out in the aforementioned order issued November 4, 1959, as to the filing of an undertaking, the aforementioned supplements are not effective as of this date. Rate Schedule No. 36 is also included in the proceedings in Docket Nos. G-16479, G-18555, G-20531 and RI60-202, which proceedings have previously been consolidated with G-9065 et al. It would appear appropriate that the proceeding in Docket No. G-20009 should also be consolidated with those previously consolidated with Docket Nos. G-9065, et al.

The Commission finds:

(1) Good cause exists for redesignating the proceeding in Docket No. G-18092 as Hunt Oil Company and H. L. Hunt.

(2) Good cause exists for consolidating the proceedings in Docket Nos. G-18092 and G-20009 with the aforementioned and previously consolidated proceedings.

The Commission orders:

(A) The proceeding in Docket No. G-18092 is hereby redesignated and entitled Hunt Oil Company and H. L. Hunt.

(B) Within 20-days from the issuance of this order, Hunt Oil Company and

[1] Previous Notice of Consolidation issued herein on April 30, 1959 and Orders of Consolidation issued herein on February 18, 1960 and April 15, 1960.

[2] The rate schedule covers natural gas produced in Southwest Speaks Field, Lavaca County, Texas, and sold to Texas Eastern Transmission Corporation. Lavaca County is located in the Texas Gulf Coast area which is included in Hunt Oil's Rate Area V as such is shown in the exhibits of record in these consolidated proceedings.

H. L. Hunt shall file a joint agreement and undertaking consistent with clause (B) of the Commission order issued September 9, 1959, in G–18092 except that H. L. Hunt shall be the party primarily responsible for any refunds found necessary as to sales prior to December 1, 1959, and Hunt Oil as to sales thereafter. The said undertaking shall supersede that heretofore filed by H. L. Hunt.

(C) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by the Natural Gas Act, including particularly sections 4, 5, 14, 15, and 16 thereof, and the Commission's rules and regulations (18 CFR, Ch. I), the proceedings in Docket Nos. G–18092 and G–20009 are consolidated with the aforementioned proceedings in the above-designated Docket Nos. G–9065, et al.

By the Commission.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 60–6703; Filed, July 18, 1960; 8:49 a.m.]

[Docket No. E–6953]

COMMONWEALTH EDISON CO.

Notice of Application

JULY 12, 1960.

Take notice that on June 30, 1960, an application was filed with the Federal Power Commission pursuant to section 203 of the Federal Power Act by Commonwealth Edison Company ("Applicant"), seeking an order authorizing the acquisition of not to exceed $20,000,000, principal amount of 4¾ percent promissory notes of Commonwealth Edison Company of Indiana, Inc. (Indiana Company). Applicant having its principal business office at Chicago, Illinois, is incorporated under the laws of the State of Illinois. It is a public utility company doing business in Illinois. Indiana Company, which has its principal business office at Chicago, Illinois, is incorporated under the laws of the State of Indiana and is operating as an electric utility company doing business in the State of Indiana. Indiana Company is a wholly-owned subsidiary of Applicant. Applicant proposes to acquire the aforesaid promissory notes from Indiana Company under a proposed agreement to provide for Indiana Company's State Line Unit 4 and other 1960–62 construction projects. Applicant states that the underlying reasons for the proposed agreement are (a) to set up a mutually desirable financial arrangement between Applicant and Indiana Company that will be the least costly and still be equitable to Applicant and Northern Indiana Public Service Company, the two customers of Indiana Company's State Line Station, and (b) to establish a reasonable 5¾ percent rate as a basis for Indiana Company charging interest during construction for its State Line Unit 4 and 1960–62 construction projects and for Indiana Company's compensation for use of funds advanced to it by Applicant. The aforesaid promissory notes will be due on December 31, 1997.

Any person desiring to be heard or to make any protest with reference to said application should on or before the 25th day of July, 1960, file with the Federal Power Commission, Washington 25, D.C., petitions or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). The application is on file and available for public inspection.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 60–6667; Filed, July 18, 1960; 8:46 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 812–1296]

ATLAS CORP. AND TITEFLEX, INC.

Notice of Filing of Application for Order Exempting Certain Transactions Between Affiliates

JULY 7, 1960.

Notice is hereby given that Atlas Corporation ("Atlas"), a registered closed-end non-diversified management investment company, and Titeflex, Inc. ("Titeflex"), an affiliate of Atlas, have filed a joint application pursuant to section 17(b) of the Investment Company Act of 1940 ("Act") for an order exempting from the provisions of section 17(a) of the Act the proposed purchase by Titeflex from Atlas of certain promissory notes payable by Titeflex in exchange for cumulative preferred stock of Titeflex as described below.

Titeflex, a Massachusetts corporation, engages primarily in the manufacture and sale of flexible metal hose and fittings, together with electrical shielding, electrical components, and other aircraft and industrial products. Atlas is the owner of 1,380,379 shares of common stock, par value $1.00 per share, of Titeflex, constituting approximately 94.79 percent of the 1,456,292 outstanding shares of such stock. In addition, Atlas is the holder of promissory notes payable by Titeflex in the following aggregate principal amounts: 5 percent demand notes amounting to $4,113,531; 6 percent demand notes amounting to $1,210,000; 3½ percent notes due November 30, 1960 amounting to $187,000; and a 5 percent note due November 30, 1960 amounting to $53,000. All of the foregoing notes, aggregating $5,563,531, have been subordinated as to payment of principal under a V-Loan Agreement under which Titeflex has borrowed from a bank the maximum amount of $2,000,000 maturing December 31, 1960. Atlas has agreed with Titeflex to take no action in the absence of bankruptcy or reorganization to enforce the payment of the demand notes prior to November 30, 1960.

Titeflex and Atlas propose to replace such subordinated notes with a new issue of preferred stock of Titeflex, the requisite stockholder approval having been obtained and the Agreement of Association and Articles of Organization having been amended to authorize the issuance of not in excess of 300,000 shares of $1.25 cumulative preferred stock, without par value. Each share will have a liquidation preference of $25.00, a redemption price of $26.25, and will be entitled to one vote on all matters. There will also be an annual sinking fund in an amount equal to 25 percent of net profits after taxes for the preceding year.

Titeflex proposes to issue on or before July 31, 1960, shares of such preferred stock to Atlas in return for the cancellation of the subordinated indebtedness referred to above on the basis of one share for every $25.00 of principal amount of such indebtedness and interest accrued thereon to the date of issuance of such preferred stock. Approximately 233,000 shares of preferred stock will be issued to Atlas on this basis.

Applicants state that the proposed transaction will simplify the capital structure of Titeflex and improve its ability to obtain credit by eliminating numerous outstanding promissory notes and increasing the amount of its capital stock account. Titeflex will be replacing a fixed interest obligation with an obligation to pay dividends which, though cumulative and preferred to the dividend rights of common stockholders, is contingent upon the existence of surplus and declaration by the board of directors. The Titeflex stockholders will be required to share their equity and voting interests in the corporation with a new preferred stock, although this requirement will have little practical effect in view of the fact that Atlas already owns approximately 95 percent of the common stock of Titeflex.

Applicants further state that Atlas will have its equity and voting rights increased, its right to dividends will be unlimited as to time, and the improvement in the balance sheet of Titeflex may reduce the frequency of guaranties and advances made by Atlas to Titeflex and may enable Titeflex to obtain business from customers who have been deterred from dealing with Titeflex because of its heavy debt. Atlas is giving up the rights which it would have as a creditor in the event of liquidation and accepting a right to dividends, as declared, in lieu of fixed interest.

Section 17(a) of the Act, in relevant part, prohibits an affiliated person (Titeflex) of a registered investment company (Atlas) from purchasing from such registered investment company any security not issued by the seller (notes of Titeflex), unless the Commission upon application pursuant to section 17(b) grants an exemption from the provisions of section 17(a), after finding that the terms of the proposed transaction, including the consideration to be paid, are reasonable and fair and do not involve overreaching on the part of any person concerned, that the proposed transaction is consistent with the policy of each registered investment company concerned, as recited in its registration statement and reports filed under the Act, and is consistent with the general purposes of the Act.

Notice is hereby given that any interested person may, not later than July 20, 1960 at 12:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a

statement as to the nature of his interest, the reason for such request and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission should order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D.C. At any time after said date, as provided by Rule 0–5 of the rules and regulations promulgated under the Act, an order disposing of the application herein may be issued by the Commission upon the basis of the showing contained in said application, unless an order for hearing upon said application shall be issued upon request or upon the Commission's own motion.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F.R. Doc. 60–6686; Filed, July 18, 1960; 8:47 a.m.]

[File No. 812–1319]

BOSTON FUND, INC.

Notice of Filing of Application for Order Exempting Sale by Open-End Company of its Shares at Other Than Public Offering Price in Exchange for Assets of Non-Affiliated Company

JULY 12, 1960.

Notice is hereby given that Boston Fund, Inc. ("Fund"), a registered open-end investment company, has filed an application pursuant to section 6(c) of the Investment Company Act of 1940 ("Act") for an order of the Commission exempting from the provisions of section 22(d) of the Act the proposed issuance of its shares at net asset value for substantially all of the cash and securities of The Hartford Investment Company ("Hartford").

The Fund offers its shares to the public on a continuous basis at net asset value plus varying sales charges dependent on the amount purchased. As of April 30, 1960, the net assets of the Fund amounted to $220,937,856 and it had outstanding 13,410,691 shares of capital stock.

Hartford, a Connecticut corporation and a personal holding company having no more than 45 shareholders, is excepted from registration under the Act by reason of the provisions of section 3(c)(1) thereof.

Pursuant to an agreement between the Fund and Hartford, substantially all of the cash and securities owned by Hartford having a value of approximately $6,200,000 as of March 31, 1960, will be sold to the Fund in exchange for shares of its capital stock. The number of Fund shares to be delivered to Hartford will be determined by dividing the net asset value per share of the Fund in effect as of the close of business on the last full business day of the New York Stock Exchange before the closing date into the value of the Hartford assets to be exchanged. Prior to the closing date, Hartford will sell those securities held by it, consisting primarily of tax-exempt bonds, which the Fund does not wish to acquire. The Fund and Hartford will each bear its own expenses in carrying out the agreement and Hartford will retain a cash reserve not in excess of $30,000 for payment of its liabilities and expenses of liquidation and dissolution.

The value of the assets of Hartford to be transferred will be determined in the same manner as net asset value is calculated for the purpose of issuing Fund shares. Since the exchange will be tax free for Hartford and its shareholders, the Fund's cost basis for tax purposes on the assets acquired from Hartford will be the same as for Hartford rather than the price actually paid for the assets by the Fund. However, the unrealized appreciation on the Hartford assets is proportionately less than on the Fund's assets, amounting to approximately 10.9 percent and 24.2 percent, respectively, as of March 31, 1960.

The application recites that the agreement was negotiated by the parties at arm's length and that no affiliation exists between them. It further recites that the Fund will hold the securities to be acquired under the agreement for investment and that their acquisition is consistent with the investment policy of the Fund as described in its registration statement.

Section 22(d) of the Act provides, in pertinent part, that no registered investment company shall sell any redeemable security issued by it to any person except at a current offering price described in the prospectus, with certain exceptions not applicable here. Under the terms of the agreement the shares of the Fund are to be issued to Hartford at a price other than the public offering price stated in the prospectus.

Section 6(c) of the Act authorizes the Commission by order upon application to exempt, conditionally or unconditionally, any transaction from any provision of the Act or of any rule or regulation thereunder, if and to the extent that the Commission finds that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

Notice is further given that any interested person may, not later than July 26, 1960, at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request and the issues of fact or law proposed to be controverted, or he may request that he be notified if the Commission should order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D.C. At any time after said date, as provided by Rule 0–5 of the rules and regulations promulgated under the Act, an order disposing of the application herein may be issued by the Commission upon the basis of the showing contained in said application, unless an order for hearing upon said application shall be issued upon request or upon the Commission's own motion.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F.R. Doc. 60–6687; Filed, July 18, 1960; 8:47 a.m.]

SMALL BUSINESS ADMINISTRATION

[Delegation of Authority 2 (Revision 3), Amdt. 3]

DIRECTOR, OFFICE OF ORGANIZATION AND MANAGEMENT

Delegation Relating to Organization and Management

Delegation of Authority No. 2 (Revision 3) as amended (23 F.R. 556, 10575, and 24 F.R. 6556) is hereby amended by:

1. Deleting subsection IB6 in its entirety.

2. Renumbering subsection IB7 as IB6.

3. Eliminating Part II in its entirety and substituting in lieu thereof, the following:

II. The specific authorities delegated in IB3(b), IB3(c) and IB5 may not be redelegated.

Effective date: June 29, 1960.

ROBERT H. MONTGOMERY, *Deputy Administrator for Administration.*

[F.R. Doc. 60–6690; Filed, July 18, 1960; 8:48 a.m.]

[Delegation of Authority 4 (Revision 3), Amdt. 3]

CONTROLLER

Delegation Relating to Administration

Delegation of Authority No. 4 (Revision 3) as amended (21 F.R. 8223, 22 F.R. 6604, 23 F.R. 280) is hereby amended by:

1. Deleting subsection IB10 in its entirety.

2. Deleting Part II in its entirety and substituting the following in lieu thereof:

II. The specific authority delegated in IB1, IB5 (b) and (c), IB6 and IB8 may not be redelegated.

Effective date: June 29, 1960.

ROBERT H. MONTGOMERY, *Deputy Administrator for Administration.*

[F.R. Doc. 60–6688; Filed, July 18, 1960; 8:48 a.m.]

[Delegation of Authority 10–9, Amdt. 1]

DIRECTOR, OFFICE OF LOAN PROCESSING

Delegation Relating to Financial Assistance

Delegation of Authority No. 10–9 (24 F.R. 645) is hereby amended by:

1. Deleting subsection IA8 in its entirety.

2. Deleting Part II in its entirety and substituting the following in lieu thereof:

II. The specific authorities delegated in subsections IA6 and 7 (b) and (c) may not be redelegated.

Effective date: June 29, 1960.

ROBERT F. BUCK,
Deputy Administrator for Financial Assistance.

[F.R. Doc. 60-6669; Filed, July 18, 1960; 8:48 a.m.]

[Delegation of Authority 10-10, Amdt. 1]

DIRECTOR, OFFICE OF LOAN ADMINISTRATION

Delegation Relating to Financial Assistance

Delegation of Authority No. 10-10 (24 F.R. 645) is hereby amended by:

1. Deleting subsection IA5 in its entirety.

2. Deleting Part II in its entirety and substituting the following in lieu thereof:

II. The specific authorities delegated in subsections IA3 and 4 (b) and (c) may not be redelegated.

Effective date: June 29, 1960.

ROBERT F. BUCK,
Deputy Administrator for Financial Assistance.

[F.R. Doc. 60-6691; Filed, July 18, 1960; 8:48 a.m.]

[Declaration of Disaster Area 288]

KENTUCKY

Declaration of Disaster Area

Whereas, it has been reported that during the month of July 1960, because of the effects of certain disasters, damage resulted to residences and business property located in certain areas in the State of Kentucky;

Whereas, the Small Business Administration has investigated and has received other reports of investigations of conditions in the areas affected;

Whereas, after reading and evaluating reports of such conditions, I find that the conditions in such areas constitute a catastrophe within the purview of the Small Business Act.

Now, therefore, as Deputy Administrator of the Small Business Administration, I hereby determine that:

1. Applications for disaster loans under the provisions of section 7(b) of the Small Business Act may be received and considered by the Offices below indicated from persons or firms whose property situated in the following Counties (including any areas adjacent to said Counties) suffered damage or destruction as a result of the catastrophe hereinafter referred to:

Counties: Rowan, Carter, and Lewis (floods occurring on or about July 3, 1960).

Offices: Small Business Administration Regional Office, Standard Building, Fourth Floor, 1370 Ontario Street, Cleveland 13, Ohio. Small Business Administration Branch Office, Commonwealth Building, Room 1900, Fourth and Broadway, Louisville 2, Ky.

2. No special field offices will be established at this time.

3. Applications for disaster loans under the authority of this Declaration will not be accepted subsequent to January 31, 1961.

Dated: July 7, 1960.

ROBERT F. BUCK,
Deputy Administrator.

[F.R. Doc. 60-6692; Filed, July 18, 1960; 8:48 a.m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[61417]

FLORIDA

Notice of Filing of Plat of Survey

JULY 13, 1960.

The plat of survey of the land described below will be officially filed in the Eastern States Land Office, effective on August 26, 1960.

TALLAHASSEE MERIDIAN

T. 66 S., R. 28 E. (Island),
Sec. 6, lot 1, 4.63 acres.

This plat represents the survey of the larger island of the Tarpon Belly Key group which was not included in the original surveys of the township and was undertaken as an administrative measure to identify any previously unsurveyed island or key in the Florida Key Area.

The island is of coral marl formation ranging in elevation from 2 to 3 feet above mean high tide, is covered with a heavy growth of black mangrove and buttonwood together with miscellaneous scrub brush and is considered to be over 50 percent upland within the meaning of the Swamp Land Act of 1850.

The land is shown by the records to be within the area withdrawn by Executive Order 7993 dated October 27, 1938 for the Great White Heron National Refuge, and is also subject to the provisions of the Act of August 22, 1957 (71 Stat. 412; P.L. 85-164) in connection with the National Key Deer Refuge.

Inquiries relating to this land should be directed to the Manager, Eastern States Land Office, Bureau of Land Management, Department of the Interior, Washington 25, D.C.

H. K. SCHOLL,
Manager.

[F.R. Doc. 60-6669; Filed, July 18, 1960; 8:47 a.m.]

WASHINGTON

Notice of Proposed Withdrawal and Reservation of Lands

JULY 11, 1960.

The Atomic Energy Commission has filed an application, Serial No. Washington 03205, for the withdrawal of the lands described below, from all forms of appropriation under the public land laws and the general mining laws, including the mineral leasing laws. The applicant desires the land for use in connection with its Hanford Works.

For a period of 30 days from the date of publication of this notice, persons having cause may present their objections in writing to the undersigned official of the Bureau of Land Management, Department of the Interior, 680 Bon Marche Building, Spokane 1, Washington.

If circumstances warrant it, a public hearing will be held at a convenient time and place, which will be announced.

The determination of the Secretary on the application will be published in the FEDERAL REGISTER. A separate notice will be sent to each interested party of record.

The lands involved in the application are:

T. 13 N., R. 24 E., W.M.,
Sec. 14: SW¼, S½NW¼.

The above-described lands aggregate 240 acres.

FRED J. WEILER,
State Supervisor.

[F.R. Doc. 60-6670; Filed, July 18, 1960; 8:47 a.m.]

Office of the Secretary

WALTER BRENTON

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests during the past six months:

(1) None.
(2) None.
(3) None.
(4) None.

This statement is made as of June 22, 1960.

Dated: June 22, 1960.

WALTER BRENTON.

[F.R. Doc. 60-6671; Filed, July 18, 1960; 8:47 a.m.]

RALPH W. FACKLER

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests during the past six months:

(1) None.
(2) Additions: Flintkote Corp.
(3) None.
(4) None.

This statement is made as of July 1, 1960.

Dated: July 1, 1960.

RALPH W. FACKLER.

[F.R. Doc. 60-6672; Filed, July 18, 1960; 8:47 a.m.]

LESTER R. GAMBLE

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests during the past six months:

(1) None.
(2) None.
(3) None.
(4) None.

This statement is made as of July 1, 1960.

Dated: June 22, 1960.

LESTER R. GAMBLE.

[F.R. Doc. 60-6673; Filed, July 18, 1960; 8:47 a.m.]

FRANK W. GRIFFITH

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests during the past six months:

(1) No change.
(2) Delete: Sioux City Dressed Beef Inc., Northern Natural Gas Company.
(3) No change.
(4) No change.

This statement is made as of June 27, 1960.

Dated: June 29, 1960.

FRANK W. GRIFFITH.

[F.R. Doc. 60-6674; Filed, July 18, 1960; 8:47 a.m.]

ANDREW P. JONES

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests during the past six months:

(1) None.
(2) Central and South West Corporation.
(3) None.
(4) None.

This statement is made as of July 1, 1960.

Dated: June 21, 1960.

A. PAT JONES.

[F.R. Doc. 60-6675; Filed, July 18, 1960; 8:47 a.m.]

VIVAN B. JONES

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests during the past six months:

(1) None.
(2) None.
(3) None.
(4) None.

This statement is made as of July 5, 1960.

Dated: July 5, 1960.

VIVAN B. JONES.

[F.R. Doc. 60-6676; Filed, July 18, 1960; 8:47 a.m.]

MAX R. LLEWELLYN

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests during the past six months:

(1) No change.
(2) No change.
(3) No change.
(4) No change.

This statement is made as of June 20, 1960.

Dated: June 20, 1960.

MAX R. LLEWELLYN.

[F.R. Doc. 60-6677; Filed, July 18, 1960; 8:47 a.m.]

JOHN P. MADGETT

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests during the past six months:

(1) No change.
(2) No change.
(3) No change.
(4) No change.

This statement is made as of June 20, 1960.

Dated: June 20, 1960.

JOHN P. MADGETT.

[F.R. Doc. 60-6678; Filed, July 18, 1960; 8:47 a.m.]

GORDON S. MEYRICK

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests during the past six months:

(1) None.
(2) None.
(3) None.
(4) None.

This statement is made as of July 7, 1960.

Dated: July 7, 1960.

GORDON S. MEYRICK.

[F.R. Doc. 60-6679; Filed, July 18, 1960; 8:47 a.m.]

STANLEY J. SICKEL

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests during the past six months:

(1) None.
(2) None.
(3) None.
(4) None.

This statment is made as of June 20, 1960.

Dated: June 20, 1960.

STANLEY J. SICKEL.

[F.R. Doc. 60-6680; Filed, July 18, 1960; 8:47 a.m.]

WILLARD B. SIMONDS

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests during the past six months:

(1) None.
(2) None.
(3) None.
(4) None.

This statement is made as of June 20, 1960.

Dated: June 20, 1960.

W. B. SIMONDS.

[F.R. Doc. 60-6681; Filed, July 18, 1960; 8:47 a.m.]

JOSEPH F. SINNOTT

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests during the past six months:

(1) None.
(2) None.
(3) None.
(4) None.

This statement is made as of June 22, 1960.

Dated: June 22, 1960.

JOSEPH F. SINNOTT.

[F.R. Doc. 60-6682; Filed, July 18, 1960; 8:47 a.m.]

STANLEY C. TOWNSEND

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b)(6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests during the past six months:

(1) None.
(2) Deletions: California Packing Co., W. R. Grace & Co., Standard Oil Co. of N.J., Sun-Ray Mid Continental Oil Co.
Additions: Crescent Petroleum Co., Bankers Trust Co. of N.Y.
(3) None.
(4) None.

This statement is made as of July 1, 1960.

Dated: July 1, 1960.

STANLEY C. TOWNSEND.

[F.R. Doc. 60-6683; Filed, July 18, 1960; 8:47 a.m.]

WILFORD D. WILDER

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b)(6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests during the past six months:

(1) None.
(2) None.
(3) None.
(4) None.

This statement is made as of June 24, 1960.

Dated: June 24, 1960.

W. D. WILDER.

[F.R. Doc. 60-6684; Filed, July 18, 1960; 8:47 a.m.]

INTERSTATE COMMERCE COMMISSION

FOURTH SECTION APPLICATIONS FOR RELIEF

JULY 13, 1960.

Protests to the granting of an application must be prepared in accordance with Rule 40 of the general rules of practice (49 CFR 1.40), and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 36389: *Limestone—From Missouri to Mississippi.* Filed by O. W. South, Jr., Agent (SFA No. A3981), for interested rail carriers. Rates on agricultural limestone, in carloads from Dolly Siding, Flat River and River Mines, Mo., to specified points in Mississippi located on the Columbus and Greenville Railway Company.

Grounds for relief: Truck competition and short-line distance formula.

Tariffs: Supplement 211 to Southern Freight Association tariff I.C.C. 1469.

FSA No. 36390: *Sugar—Texas to Southern Points.* Filed by Southwestern Freight Bureau, Agent (No. B-7846), for interested rail carriers. Rates on sugar, corn and sorghum grain, straight or mixed carloads from specified points in Texas to specified points in Alabama, Florida, Georgia, Kentucky, North Carolina and South Carolina.

Grounds for relief: Market competition and short-line distance formula.

Tariff: Supplement 711 to Southwestern Freight Bureau tariff I.C.C. 4139.

FSA No. 36391: *Substituted service—PRR and Wabash RR for Spector Freight System, Inc.* Filed by Middlewest Motor Freight Bureau, Agent (No. 254), for interested carriers. Rates on property loaded in trailers and transported on railroad flat cars between Kansas City, Mo., on the one hand, and Cleveland, Ohio and Pittsburgh, Pa., on the other, on traffic originating at such points or points beyond as described in the application.

Grounds for relief: Motor-truck competition.

Tariff: Supplement 138 to Middlewest Motor Freight Bureau, tariff I.C.C. 223.

FSA No. 36392: *Substituted service—C&NW for Knaus Truck Lines, Inc., et al.* Filed by Middlewest Motor Freight Bureau, Agent (No. 255), for interested carriers. Rates on property loaded in trailers and transported on railroad flat cars between Chicago, Ill., and Des Moines, Iowa, on traffic originating at or destined to such points or points beyond as described in the application.

Grounds for relief: Motor-truck competition.

Tariff: Supplement 138 to Middlewest Motor Freight Bureau tariff MF—I.C.C. 223.

FSA No. 36393: *Substituted service—M&STL and Wabash RR for Gateway Transportation Co., et al.* Filed by Middlewest Motor Freight Bureau, Agent (No. 256), for interested carriers. Rates on property loaded in trailers and transported on railroad flat cars between Minneapolis, Minn., and St. Louis, Mo., on traffic originating at or destined to such points or points beyond as described in the application.

Grounds for relief: Motor-truck competition.

Tariff: Supplement 138 to Middlewest Motor Freight Bureau, tariff MF-I.C.C. 223.

FSA No. 36394: *Fertilizers—Ark., Mo., and Tex., to Utah.* Filed by Southwestern Freight Bureau, Agent (No. B-7843), for interested rail carriers. Rates on fertilizer, fertilizer compounds, and fertilizer materials, in carloads, as described in the application from Blytheville, Walport, Ark., Sikeston, Mo., and Texas City, Tex., to points in Utah on the Union Pacific RR.

Grounds for relief: Market competition and short-line distance formula.

Tariff: Supplement 237 to Southwestern Freight Bureau tariff I.C.C. 4136.

By the Commission.

[SEAL] HAROLD D. MCCOY, *Secretary.*

[F.R. Doc. 60-6700; Filed, July 18, 1960; 8:48 a.m.]

[Notice 349]

MOTOR CARRIER TRANSFER PROCEEDINGS

JULY 14, 1960.

Synopses of orders entered pursuant to section 212(b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 179), appear below:

As provided in the Commission's special rules of practice any interested person may file a petition seeking reconsideration of the following numbered proceedings within 20 days from the date of publication of this notice. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC-FC 63357. By order of July 12, 1960, the Transfer Board approved the transfer to Donald M. Klockner and John Nalence, a Partnership, doing business as Klockner & Nalence, Trenton, N.J., of the operating rights authorized to George E. Pierson, Trenton, N.J., under Certificate No. MC 42556 issued November 16, 1954, authorizing the transportation, over irregular routes, of sand and gravel, crushed stone, fertilizer, millboard, scrap brass, potatoes, and clay, from and to specified points in Pennsylvania, New Jersey, New York, and Maryland. Robert Watkins, 170 South Broad Street, Trenton 10, N.J., for applicants.

No. MC-FC 63364. By order of July 11, 1960, the Transfer Board approved the transfer to Lollie J. Harr, doing business as William E. Harr Horse Transportation, Lutherville, Md., of Certificate No. MC 96424, issued January 31, 1945, to William E. Harr, Lutherville, Md., authorizing the transportation of: Horses, other than ordinary livestock, and equipment, and paraphernalia incidental to the care, transportation, and exhibition of such horses, between points in Maryland, on the one hand, and, on the other, Charles Town, W. Va., and points in Delaware, New Jersey, Pennsylvania, New York, Virginia, Maryland, and the District of Columbia. Louis B. Peters, Central Savings Bank Building, Baltimore 2, Md., for applicants.

No. MC-FC 63392. By order of July 11, 1960, the Transfer Board approved the transfer to Oliver Oil Company, A Corporation, Huntsville, Missouri, of a Permit in No. MC 106150, issued January 17, 1947, to E. H. Oliver, doing business as Oliver Oil Company, Huntsville,

Missouri, which authorizes the transportation of petroleum products, in bulk, in tank trucks, over irregular routes, from Kansas City, Kans., to Richmond, Carrollton, Brunswick, Moberly, Macon, Centralia, Mexico, Montgomery City, Shelbina, Monroe City, Fulton, Herman, Kirksville and Brookfield, Me.; and rejected shipments of petroleum products, in bulk, in tank trucks, on the return trip. Hosea J. Taylor, 104 North Main Street, Huntsville, Missouri, for applicants.

No. MC-FC 63396. By order of July 12, 1960, the Transfer Board approved the transfer to Clancy-Cullen Storage Co., Inc., Bronx, N.Y., of Certificate No. MC 21479, issued March 31, 1960, in the name of Helen Colonnelli and Raymond Colonnelli, a partnership, doing business as John Santini Vans Co., Bronx, N.Y., authorizing the transportation of household goods, over irregular routes, between New York, N.Y., on the one hand, and, on the other, points in Connecticut, Massachusetts, New Jersey, New York, Pennsylvania, Rhode Island, Delaware, Maryland, Ohio, Virginia, and the District of Columbia. Edward M. Alfano, 2 West 45th Street, New York, N.Y., for transferee. George Nodelman, 349 East 149th Street, Bronx 51, N.Y., for transferor.

[SEAL] HAROLD D. McCOY, *Secretary.*

[F.R. Doc. 60-6701; Filed, July 18, 1960; 8:49 a.m.]

Title 2—THE CONGRESS

ACTS APPROVED BY THE PRESIDENT

EDITORIAL NOTE: During the current recess of the Congress a listing of public laws approved by the President will appear in the FEDERAL REGISTER under *Title 2—The Congress.*

Approved July 14, 1960

S. 1315—Public Law 86-653
An Act for the incorporation of the Blue Star Mothers of America, Inc.

S. 2674—Public Law 86-655
An Act to authorize the acquisition of certain lands for addition to Harpers Ferry National Monument, and for other purposes.

S. 2969—Public Law 86-656
An Act to authorize the award posthumously of appropriate medals to Chaplain George L. Fox, Chaplain Alexander D. Goode, Chaplain Clark V. Poling, and Chaplain John P. Washington.

S. 3247—Public Law 86-659
An Act to amend the Act of September 9, 1959 (73 Stat. 473), to provide that payment for the lands covered by such Act may be made on a deferred basis.

S. 3319—Public Law 86-646
An act to authorize the Administrator of General Services to release the recapture provisions contained in the conveyance of certain real property to the city of Little Rock, Arkansas, and for other purposes.

S. 3450—Public Law 86-658
An Act to amend section 22 (relating to the endowment and support of colleges of agriculture and the mechanic arts) of the Act of June 29, 1935, to increase the authorized appropriation for resident teaching grants to land-grant institutions.

S. 3616—Public Law 86-654
An Act to deny to the District of Columbia, in suits on claims arising out of the negligent operation of vehicles owned or controlled by it and operated by its employees in the performance of their official duties, the defense of governmental immunity, to relieve such employees of liability in such cases to third persons, and for other purposes.

H.J. Res. 397—Public Law 86-648
Joint Resolution to enable the United States to participate in the resettlement of certain refugees, and for other purposes.

H.J. Res. 605—Public Law 86-650
Joint Resolution providing for the preparation and completion of plans for a comprehensive observance of the one hundred and seventy-fifth anniversary of the formation of the Constitution of the United States.

H.J. Res. 672—Public Law 86-647
Joint Resolution authorizing and requesting the President to issue a proclamation with respect to the 1960 Pacific Festival, and for other purposes.

H.R. 808—Public Law 86-643
An Act to authorize the Secretary of State to evaluate in dollars certain financial assistance loans expressed in foreign currencies arising as a result of World War II, and for other purposes.

H.R. 3900—Public Law 86-666
An Act to permit the admission to registry and the use in the coastwise trade of certain foreign-built hydrofoil vessels.

H.R. 4595—Public Law 86-644
An Act to clarify and make uniform certain provisions of law relating to special postage rates for educational, cultural, and library materials, and for other purposes.

H.R. 5055—Public Law 86-652
An Act to amend the restriction on the use of certain real property heretofore conveyed to the city of Saint Augustine, Florida, by the United States.

H.R. 5436—Public Law 86-660
An Act to provide for a register in the Department of Commerce in which shall be listed the names of certain persons who have had their motor vehicle operator's licenses revoked.

H.R. 6556—Public Law 86-662
An Act to amend subdivision c of section 39 of the Bankruptcy Act (11 U.S.C. 67c) so as to clarify time for review of orders of referees.

H.R. 7004—Public Law 86-649
An Act to facilitate the administration of the public lands, and for other purposes.

H.R. 7211—Public Law 86-663
An Act to provide additional disability compensation for certain seriously disabled veterans.

H.R. 7379—Public Law 86-673
An Act to amend the Act of July 27, 1956, with respect to the detention of mail for temporary periods in the public interest, and for other purposes.

H.R. 7593—Public Law 86-661
An Act to provide that the Civil Aeronautics Board may temporarily authorize certain air carriers to engage in supplemental air transportation, and for other purposes.

H.R. 7634—Public Law 86-645
An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

H.R. 7903—Public Law 86-665
An Act to amend chapter 37 of title 38, United States Code, to extend the veterans' guaranteed and direct loan program for two years.

H.R. 8229—Public Law 86-667
An Act to amend the Internal Revenue Code of 1954 to provide an exemption from income tax for supplemental unemployment benefit trusts.

H.R. 9786—Public Law 86-670
An Act to amend sections 511 and 512 of title 38, United States Code, to permit Indian war and Spanish-American War veterans to elect to receive pension at the rates applicable to veterans of World War I.

H.R. 10495—Public Law 86-657
An Act to authorize appropriations for the fiscal years 1962 and 1963 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes.

H.R. 10511—Public Law 86-672
An Act to grant an additional benefit to persons receiving cash relief under the Panama Canal Cash Relief Act of July 8, 1937.

H.R. 10952—Public Law 86-675
An Act to authorize the National Society Daughters of the American Colonists to use certain real property in the District of Columbia as the national headquarters of that society.

H.R. 10997—Public Law 86-664
An Act to grant to the Government of Guam certain filled lands, submerged lands, and tidelands.

H.R. 11135—Public Law 86-669
An Act to aid in the development of a coordinated system of transportation for the National Capital region; to create a temporary National Capital Transportation Agency; to authorize negotiation to create an interstate agency; and for other purposes.

H.R. 11516—Public Law 86-676
An Act to create a judicial officer for the Post Office Department.

H.R. 11931—Public Law 86-674
An Act to amend the Act of March 3, 1901, with respect to the time within which a caveat to a will must be filed in the District of Columbia.

H.R. 12465—Public Law 86-671
An Act to provide for a simpler method of determining assessments under the Federal Deposit Insurance Act, and for other purposes.

H.R. 12584—Public Law 86-668
An Act to amend the Uniform Narcotic Drug Act for the District of Columbia.

H.R. 12740—Public Law 86-651
An Act making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes.

CUMULATIVE CODIFICATION GUIDE—JULY

The following numerical guide is a list of the parts of each title of the Code of Federal Regulations affected by documents published to date during July.

Announcement

CFR SUPPLEMENTS

(As of January 1, 1960)

The following Supplements are now available:

Title 26, Parts 222–299	$1.75
Titles 40–41, Revised	$0.70
Title 44, Revised	$3.25
General Index	$1.00

Previously announced: Title 3 ($0.60); Titles 4–5 ($1.00); Title 7, Parts 1–50 ($0.45); Parts 51–52 ($0.45); Parts 53–209 ($0.40); Parts 210–399, Revised ($4.00); Parts 400–899, Revised, ($5.50); Parts 900–959 ($1.50); Part 960 to End ($2.50); Title 8 ($0.40); Title 9 ($0.35); Titles 10–13 ($0.50); Title 14, Parts 1–39 ($0.65); Parts 40–399 ($0.75); Part 400 to End ($1.75); Title 15 ($1.25); Title 16, Revised ($6.50); Title 17 ($0.75); Title 18 ($0.55); Title 19 ($1.00); Title 20 ($1.25); Title 21 ($1.50); Titles 22–23 ($0.45); Title 24 ($0.45); Title 25 ($0.45); Title 26 (1939), Parts 1–79 ($0.40); Parts 80–169 ($0.35); Parts 170–182 ($0.35); Parts 300 to End ($0.40); Title 26, Part 1 (§§ 1.01–1.499) ($1.75); Parts 1 (§ 1.500 to End)–19 ($2.25); Parts 20–169 ($1.75); Parts 170–221 ($2.25); Part 300 to End ($1.25); Titles 28–29 ($1.75); Titles 30–31 ($0.50); Title 32, Parts 1–399 ($2.00); Parts 400–699 ($2.00); Parts 700–799 ($1.00); Parts 800–999, Revised ($3.75); Parts 1000–1099, Revised ($6.50); Part 1100 to End ($0.60); Title 33 ($1.75); Title 35, Revised ($3.50); Title 36, Revised ($3.00); Title 37, Revised ($3.50); Title 38 ($1.00); Title 39 ($1.50); Title 42, Revised ($4.00); Title 43 ($1.00); Title 46, Parts 1–145 ($1.00); Parts 146–149, Revised ($6.00); Parts 146–149 (1950 Supp. 1) ($0.55); Part 150 to End ($0.65); Title 47, Parts 1–29 ($1.00); Part 30 to End ($0.30); Title 49, Parts 1–70 ($1.75); Parts 71–90 ($1.00); Parts 91–164 ($0.45); Part 165 to End ($1.00); Title 50 ($0.70).

Order from the Superintendent of Documents, Government Printing Office, Washington 25, D.C.